

**STATE OF VERMONT
DEPARTMENT OF FINANCIAL REGULATION**

IN RE: BRENDAN MAYWORM)
) **DOCKET NO. 16-029-I**
)
)

STIPULATION AND CONSENT ORDER

This Stipulation and Consent Order is entered this ¹20 day of September, 2016 by and among Brendan Mayworm (“Respondent”), and the State of Vermont Department of Financial Regulation (“Department”).

WHEREAS, the Commissioner of the Department (“Commissioner”) is responsible for administering and enforcing the insurance laws of the Vermont Statutes Annotated, pursuant to which the Department has conducted a review of Respondent; and

WHEREAS, as a result of the Department’s review, the Department has concluded that Respondent violated the insurance laws of the State of Vermont for the reasons set forth below; and

WHEREAS, Respondent, while not admitting the Department’s allegations, wishes to resolve this matter without further administrative proceedings; and

WHEREAS, the Department has accordingly sought, and Respondent, without the necessity of further formal proceedings, has agreed to take corrective and remedial measures as more specifically described herein; and

WHEREAS, Respondent elects to permanently waive any right to a hearing and appeal under the Vermont Administrative Procedure Act, Title 3, Chapter 25 of the Vermont Statutes Annotated; the rules, regulations, and orders of the Commissioner; and any right it may have to judicial review by any court with respect to this Consent Order.

NOW THEREFORE, the parties so stipulate, and the Commissioner makes findings and conclusions as follows:

FINDINGS OF FACT

1. Respondent was issued Vermont resident producer license #3162766 on June 6, 2016.
2. Respondent’s resident producer license was issued pursuant to the licensing requirements set forth in Chapter 131 of Vermont Statutes Annotated Title 8.
3. Respondent completed an electronic producer application that requires the applicant to disclose misdemeanor and felony convictions. Respondent did not disclose any criminal convictions.

4. After having been issued a resident producer license, Respondent filed with the Insurance Division an application for written consent to engage in the business of insurance pursuant to 18 U.S.C. § 1033 and 1034. These federal statutes prohibit individuals who have engaged in certain criminal activity from engaging in the business of insurance unless they obtain the written consent of the state insurance regulator.

5. Respondent disclosed his criminal record to the Insurance Division for the first time when he filed this application.

CONCLUSIONS OF LAW

1. Pursuant to the authority contained in 8 V.S.A. §§11, 12, 13, 15, and Chapters 101, 129, and 131, the Commissioner is charged with enforcing the insurance laws of the State of Vermont.

2. 18 U.S.C. § 1033 prohibits individuals who have engaged in certain criminal activity from engaging in the business of insurance unless they obtain the written consent of the state insurance regulator. The federal statute does not preempt state law, therefore, even if written consent were granted by an insurance commissioner, the determination as to whether or not the individual should be granted a license becomes a matter of state law.

3. The Commissioner must find an applicant for a producer license competent, trustworthy, financially responsible, and of good personal and business reputation. 8 V.S.A. § 4800. Vermont requires applicants to disclose certain misdemeanor convictions and all felony convictions.

4. The Commissioner may deny a producer license or may suspend, revoke or refuse to continue or renew a license already issued for any one of the reasons set out in 8 V.S.A. § 4804, including but not limited to finding that the applicant:

- a. provided incorrect, misleading, incomplete, or materially untrue information in the license application. 8 V.S.A. § 4804(a)(1).
- b. has been convicted of a felony or misdemeanor involving moral turpitude. 8 V.S.A. § 4804(a)(7).
- c. obtained or attempted to obtain a license through misrepresentation or fraud. 8 V.S.A. § 4804(a)(4).

5. The Department finds that Respondent provided materially untrue information in his application when he answered "No" to questions asking if he had ever been convicted of a misdemeanor or a felony.

6. The Department finds that Respondent was convicted of a felony.

7. The Department finds that Respondent obtained a license through misrepresentation when he failed to disclose his criminal record during the application process.

8. Pursuant to 8 V.S.A. § 4804, the Commission may revoke Respondent's resident producer license if he finds as to Respondent any one of the following conditions: (1) Respondent provided materially untrue information, (2) Respondent has been convicted of a felony, and/or (3) Respondent obtained a license through misrepresentation.

CONSENT ORDER

NOW, THEREFORE, based on Respondent's stipulation, and on the basis of the Findings of Fact and Conclusions of Law, the Commissioner issues the following Order, to be fully complied with following receipt by the Commissioner of the duly executed Consent to Entry of Administrative Order:

1. Respondent shall deliver his resident producer license #3162766 to the Department within ten (10) days of the execution of this Order.
2. Respondent shall not apply for an insurance license for a period of twelve (12) months, to begin upon the execution of this Order.
3. Respondent acknowledges and agrees that this stipulation is entered into freely and voluntarily and that except as set forth herein, no promise was made to induce the Respondent to enter into it. Respondent acknowledges that he had the opportunity to and was encouraged to consult with an attorney in this matter.
4. If Respondent fails or neglects to comply with any of the terms, conditions or undertakings set forth in this Stipulation and Consent Order, the Department may, upon written notice to Respondent, institute any legal or administrative proceedings it deems appropriate to enforce same and to seek such other appropriate sanctions.
5. Upon delivery of Respondents resident producer license #3162766 in accordance with the terms of this Consent Order, this Stipulation and Consent Order will be deemed to have documented the resolution of this matter and will not be a basis for action against Respondent by the Department arising out of these same events in regards to the business of insurance except in determining any action or penalty that may be imposed by the Department for any future violations of law by Respondent.

This ORDER shall become effective immediately upon the date set forth below.

BY ORDER OF THE COMMISSIONER

Entered at Montpelier, Vermont, this 20th day of September, 2016.



Michael Pieciak, Commissioner
Vermont Department of Financial Regulation

CONSENT BY BRENDAN MAYWORM TO THE ENTRY OF AN ORDER BY THE COMMISSIONER IMPOSING TERMS, CONDITIONS AND UNDERTAKINGS UNDER THE VERMONT INSURANCE LAWS

1. Brendan Mayworm ("Respondent"), hereby admits the jurisdiction of the Commissioner over the subject matter of this proceeding, and solely with respect to this matter, knowingly and voluntarily waives any and all rights to a hearing before the Commissioner or her designee, and all other procedures otherwise available under Vermont law, the rules of the Department, the provisions of Chapter 25 of Title 3 regarding contested cases, or any right he may have to judicial review by any court by way of suit, appeal, or extraordinary remedy with respect to the terms of the Stipulation and Consent Order set forth herein.

2. Respondent does not admit the existence of violations as set forth in this agreement, but agrees not to contest the Department's findings and conclusions.

3. Respondent acknowledges that this Consent Order constitutes a valid order duly rendered by the Commissioner, and agrees to be fully bound by it.

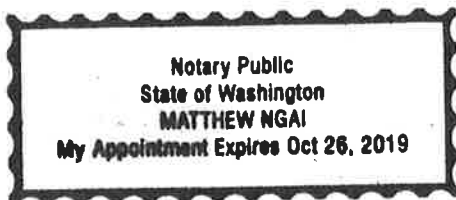
4. Respondent acknowledges and agrees that the Consent Order is entered into freely and voluntarily and that no promise was made, nor was any coercion used, to induce the Respondent to enter into the Consent Order.

5. Respondent acknowledges his understanding of all terms, conditions, and obligations contained in the Consent Order and further acknowledges that should he fail to comply with any and all provisions of the Consent Order, the Commissioner may impose additional sanctions and seek other appropriate relief subject to the Respondent's right to a hearing pursuant to Vermont's insurance laws.

Dated this 7 day of September, 2016.

By: Brendan Mayworm
Brendan Mayworm

BEFORE ME this 7th day of September, 2016, personally appeared Brendan Mayworm who acknowledged that he executed the foregoing for the purposes therein contained, and that such act of execution is his free act and deed.



Matthew Ngai
Notary Public

My Commission Expires: 10/26/2019