

**STATE OF VERMONT  
DEPARTMENT OF FINANCIAL REGULATION**

IN RE: CEPHUS CHAPMAN, JR.	)	DOCKET NO. 22-033-I
VT LICENSE # 3259778	)	
NPN # 6798295	)	

**DEFAULT JUDGMENT AND ORDER**

**I. FINDINGS OF FACT**

1. Respondent Cephus Chapman, Jr. (“Respondent”) holds non-resident insurance producer license # 3259778.
2. License # 3259778 was issued on July 28, 2017 and expires on March 31, 2023.
3. Respondent’s resident state is Georgia.
4. On September 9, 2020, Respondent was indicted on federal charges of conspiracy to commit wire fraud and wire fraud.
5. On September 21, 2020, a pretrial hearing was scheduled in the federal criminal prosecution of Respondent.
6. On September 28, 2021, the Louisiana Commissioner of Insurance suspended Respondent’s Louisiana non-resident insurance producer license as a result of Respondent’s failure to report arrests or pending charges to the Louisiana Commissioner and failure to respond to written requests of the Louisiana Commissioner.
7. On October 6, 2021, a jury convicted Respondent of one count of conspiracy to commit wire fraud and three counts of fraud.
8. On December 27, 2021, the California Insurance Commissioner revoked Respondent’s non-resident insurance agent licenses because Respondent was convicted

of the federal felonies concerning fraud; because he did not report the conviction to the California Commissioner; and because his Louisiana non-resident insurance producer license had been suspended.

9. On July 19, 2022, the Georgia Commissioner of Insurance revoked Respondent's resident insurance agent license due to Respondent's felony conviction, his failure to report the felony conviction to the Commissioner, and the revocation of his Georgia real estate broker license.

10. As of October 10, 2022, Respondent had not reported to the Commissioner the order resulting from his federal criminal pretrial hearing, the original criminal complaint, or other any other orders that followed in the prosecution.

11. As of October 20, 2022, Respondent had not reported to the Commissioner the administrative actions taken against Respondent by Louisiana, California, or Georgia.

12. On October 11, 2022, the Insurance Division served upon Respondent the Petition for Revocation of License ("the Petition") and Notice of Right to Request Hearing ("the Notice") filed in the above-captioned matter.

13. As of the effective date of this Default Judgment and Order, more than 30 days after service of the Petition and Notice, no answer, request for a hearing, or other defense to the Petition has been received by the Insurance Division from Respondent.

14. More than 10 days have passed since the Insurance Division filed a motion for default judgment in the above-captioned matter and served the motion on Respondent.

## II. CONCLUSIONS OF LAW

15. Because Respondent's Georgia resident insurance producer license was revoked, causing Respondent to lose good standing in Respondent's resident state, revocation of Respondent's Vermont non-resident insurance producer license is authorized pursuant to 8 V.S.A. § 4804(a)(2) and (10).

16. Because Louisiana has suspended and California has revoked Respondent's non-resident insurance licenses, revocation of Respondent's Vermont non-resident insurance producer license is authorized pursuant to 8 V.S.A. § 4804(a)(10).

17. Because Respondent failed to timely report to the Commissioner the order resulting from his federal criminal pretrial hearing, the original criminal complaint, and any other orders that followed in the prosecution, Respondent violated 8 V.S.A. § 4813o, and revocation of Respondent's Vermont non-resident insurance producer license is authorized pursuant to 8 V.S.A. § 4804(a)(3).


18. Because Respondent failed to timely report to the Commissioner the administrative actions taken against Respondent by Louisiana, California, and Georgia, Respondent violated 8 V.S.A. § 4813o, and revocation of Respondent's Vermont non-resident insurance producer license is authorized pursuant to 8 V.S.A. § 4804(a)(3).

19. Because no answer, request for a hearing, or other defense to the Petition has been received by the Insurance Division from Respondent, and as more than 10 days have passed since the Insurance Division filed a motion for default judgment, the allegations contained in the Petition are treated as proven and a default judgment may be entered in the above-captioned matter pursuant to Sections 1.04(H) and (V) of the Vermont Department of Financial Regulation Administrative Procedures.

**III. ORDER**

20. Based on the findings of fact and conclusions of law set forth above, a default judgment is entered against Respondent, and it is hereby ordered that the non-resident insurance producer license # 3259778 of Respondent Cephus Chapman, Jr. is revoked, effective immediately.

Dated at Montpelier, Vermont this 21st day of December 2022.

By:   
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Kevin J. Gaffney  
Commissioner of Financial Regulation  
Vermont Department of Financial Regulation