

**STATE OF NEW HAMPSHIRE
INSURANCE DEPARTMENT**

In re: William Joseph Mandeline

Docket No.: INS No. 20-004-EP

**ORDER TO SHOW CAUSE
AND
NOTICE OF HEARING**

The New Hampshire Insurance Department (“NHID”) orders William Joseph Mandeline (“Respondent”) to show cause why the New Hampshire Insurance Commissioner should not permanently revoke his New Hampshire insurance producer license and/or levy an administrative fine in the maximum amount allowed by law. In support of the Order to Show Cause and pursuant to RSA 541-A:31, RSA 400-A:17 and Ins Part 200, the NHID states as follows:

STATEMENT OF FACTS

1. The Respondent is a non-resident New Hampshire insurance producer licensed to sell Life, Accident and Health or Sickness insurance products. He was licensed on March 28, 2018, and his current license is set to expire on January 31, 2020.
2. The Respondent was terminated for cause from 5 Star Insurance Company effective September 28, 2018. The reason for the termination was that the Respondent sold Individual Term life insurance policies under a fictitious employer group named GraphicxPro LLC¹.
3. On March 28, 2019, the Commonwealth of Virginia entered into a Settlement Order with the Respondent for making fraudulent statements or misrepresentations on an insurance

¹ Alternatively, this employer group is identified as GraphicxPro LLC in documents provide from 5 Star Insurance Company.

application. As part of the agreement, the Respondent voluntarily surrendered his Virginia producer license and agreed to cease transacting insurance business in Virginia for five years.

4. The Respondent failed to report the Virginia Settlement Order to the NHID within 30 days as required by RSA 402-J:17, I.
5. On June 6, 2019, the State of Maine Bureau of Insurance revoked the Respondent's non-resident producer license for dishonesty and failing to respond to the agency's request. The Respondent did not request a hearing or otherwise challenge the Maine's revocation.
6. The Respondent failed to report the Maine revocation to the NHID within 30 days as required by RSA 402-J:17, I.
7. Effective June 10, 2019, the Respondent entered into a Consent Order with the State of Arizona Department of Insurance. In the Consent Order, the Respondent admitted to committing fraudulent practices in the course of business, and demonstrating incompetence, untrustworthiness or financial irresponsibility in the conduct of business by presenting an insurance policy application that contained untrue statements.
8. The Respondent failed to report the Arizona Consent Order to the NHID within 30 days as required by RSA 402-J:17, I.
9. On September 10, 2019, the State of Washington Office of the Commissioner revoked the Respondent's non-resident producer license for failing to report other state's administrative actions and failing to respond to the agency's request. The Respondent did not request a hearing or otherwise challenge the Washington's revocation.
10. The Respondent failed to report the Washington revocation to the NHID within 30 days as required by RSA 402-J:17, I.

11. NH RSA 402-J:12 provides that specific misconduct enumerated under sections I (a) through (m) are grounds to deny an initial application for licensure and are grounds for suspension or revocation of an already issued license.

STATEMENT OF ISSUES

12. Whether the Respondent violated RSA 402-J:12, I(b) by failing to comply with New Hampshire insurance law RSA 402-J:17, I.
13. Whether the Respondent violated RSA 402-J:12, I(h) by demonstrating incompetence, untrustworthiness and /or financial irresponsibility when he sold Individual Term life insurance policies under a fictitious employer group, GraphicxPro LLC.
14. Whether the Respondent violated RSA 402-J:12, I(i) by having his producer license revoked in Maine, Arizona and Washington.
15. Whether the Respondent violated RSA 402-J:17, I by failing to report four administrative actions taken against the Respondent in Virginia (*Settlement Order*), Maine (*Revocation Order*), Arizona (*Consent Order*) and Washington (*Revocation Order*.)
16. The NHID reserves the right to amend this statement of issues upon reasonable notice to the Commissioner (or his designated Representative) and the Respondent.

NEW HAMPSHIRE INSURANCE LAWS VIOLATED BY RESPONDENT

17. The NHID maintains the Respondent violated the following New Hampshire insurance law statutes: RSA 402-J:12, I (b); RSA 402-J:12, I (h); RSA 402-J:12, I (i); and RSA 402-J:17, I.
18. The NHID reserves the right to amend this list of insurance laws violated by the Respondent upon reasonable notice to the Commissioner (or his designated Representative) and the Respondent.

OTHER APPLICABLE LAW

19. The NHID relies on the doctrine of collateral estoppel (*See, In Re Michael E.*, 162 N.H. 520,523-524 (2011)).

PENALTY REQUESTED

20. In the event the Hearing Officer determines after evidentiary hearing that the NHID sustained its burden of proof with respect to the allegations of fact and violations of law outlined above, the NHID requests that the Hearing Officer impose the following sanctions on the Respondent:
- a. Pursuant to RSA 402-J:12, I and RSA 400-A:15, III, order the permanent revocation of the Respondent's New Hampshire insurance producer license and;
 - b. Levy an administrative fine in the maximum amount allowed by law.

NOTICE OF HEARING

- A. An adjudicatory proceeding shall be commenced for the purpose of resolving the issues articulated above pursuant to RSA 541-A:31, RSA 400-A:17 *et seq.* and Ins 200. To the extent that the Department's rules do not address an issue of policy or procedures, the Department shall apply the N.H. Department of Justice Rules, Part 800.
- B. The Respondent shall appear at Department on **Tuesday, March 10, 2020 at 10:00 am**, at the Department's office located at 21 South Fruit Street, Suite 14, in Concord New Hampshire to participate in this adjudicatory proceeding and, if deemed appropriate, be subject to sanctions pursuant to RSA 402-J:12, I and RSA 400-A:15, III. Respondent's failure to appear at the time and place specified above may result in the hearing being held *in absentia* and sanctions may be imposed without further notice or an opportunity to be heard.
- C. Michelle Heaton Esq. is appointed to act as Hearing Officer in this matter with all the authority within the scope of RSA 400-A:19 and Ins 203.01.
- D. Linda Zalinski shall serve as clerk to the Hearing Officer. The parties should direct all

communications to Ms. Zalinskie, whose contact information is:

Linda Zalinskie, Clerk
New Hampshire Insurance Department
21 South Fruit Street, Suite 14
Concord, NH 03301
Tel: (603) 271-2261
Fax: (603)271-1406
Email: linda.zalinskie@ins.nh.gov

- E. The Respondent has the right to be represented by a lawyer in this proceeding. However, the Respondent shall bear the cost of retaining said lawyer. Should the Respondent elect to retain a lawyer, his lawyer shall file a Notice of Appearance with Ms. Zalinskie, and said lawyer should do so at the earliest possible date. A copy of the NHID's Notice of Appearance form is enclosed with this Order.
- F. Any party may request a transcript of the proceeding. The party requesting a transcript of the proceedings shall file a written request for a certified court reporter with the Hearing Officer at least 10 days prior to the scheduled hearing date. The costs incurred for the services of a certified court reporter shall be borne by the requesting party.
- G. Mary C. Bleier, Esq. and/or Joshua Hilliard shall serve as staff advocates representing the interests of the NHID.
- H. All routine procedural inquiries may be made by contacting Linda Zalinskie, Hearing Clerk, New Hampshire Insurance Department, 21 South Fruit Street, Suite 14, Concord NH 03301, (603) 271-2261, but that all other communications with the Hearing Officer and the Commissioner shall be in writing and filed as provided above. *Ex parte* communications are forbidden by statute and the Department's regulations.
- I. A copy of this hearing notice shall be served upon Respondent by certified mail addressed to the mailing address on file with New Hampshire Insurance Department. *See*, RSA 400-A:14.

It is **SO ORDERED**.

NEW HAMPSHIRE INSURANCE DEPARTMENT

Date: 1/28/2020

Alexander K. Feldvebel
Alexander Feldvebel, Interim Insurance Commissioner

CERTIFICATE OF SERVICE

The undersigned hereby certifies that a true and accurate copy of the foregoing Order to Show Cause and Notice of Hearing was sent this date by first-class mail, postage prepaid, and by certified mail, return receipt requested, to William Joseph Mandeline, 9604 Capendon Ave Apt. 106 Palm Beach Gardens, FL 33418 this being his last mailing address on file with the Department.

Date: 1/28/2020

M. Bleier
Mary C. Bleier, Esq.

NEW HAMPSHIRE INSURANCE DEPARTMENT

ATTORNEY APPEARANCE or WITHDRAWAL

Docket No. (if known): _____

Respondent Name or Case Name: _____

APPEARANCE

WITHDRAWAL

Please **ENTER** my appearance as
Counsel for _____

Please **WITHDRAW** my appearance as
Counsel for _____

I confirm that neither I nor any member of my
law firm have been retained by the Department
of Insurance or the Commissioner of Insurance.

Notice of Withdrawal sent to my client on:
_____ at the following address:

I hereby certify that I provided a copy of this original request to the Department and a copy to all other known parties to this matter in accordance with Ins 204.09.

Signed: _____

Name: _____ **NH Bar #:** _____

Firm Name: _____ **Email:** *(see also below)* _____

Physical Address: _____

Mailing Address (if different): _____

Phone: _____

Email Consent: By checking this box, I consent to delivery by email in accordance with Ins 204.09(c). Please send communications and documents to the above email address.

Date: _____ **Signature:** _____

If you do not consent to delivery by email, all communications will be sent to you by personal delivery at your physical address or by United States Postal Service first class mail to your mailing address.