

**BEFORE THE COMMISSIONER OF SECURITIES AND INSURANCE
MONTANA STATE AUDITOR**

IN THE MATTER OF)	CSI Case Number: INS-2016-67
)	
JESSICA E. CULVER,)	FINAL AGENCY DECISION
A/K/A JESSICA E. HOSTMAN,)	BY DEFAULT
)	
Respondent.)	

On May 2, 2016, the Office of the Montana State Auditor, Commissioner of Securities and Insurance (CSI), filed a Notice of Proposed Agency Action and Opportunity for Hearing (Notice) against Respondent Jessica E. Culver A/K/A. Jessica E. Hostman (Respondent). The Notice alleged that Respondent committed insurance fraud and/or theft as specified in Montana law. The Notice was sent to Respondent, by certified mail, to her address of 211 North Fifth Street, #6, Miles City, MT, 59301. It was unclaimed despite two notices by the post office. The CSI received the unopened envelope on May 25, 2016.

The Notice provided Respondent the opportunity to request a hearing, requiring a written demand by May 20, 2016.

By motion filed June 24, 2016, the CSI moved for entry of a final agency decision by default against Respondent. On June 27, 2016, the CSI filed with the hearing examiner the Affidavit of Neil Brunett.

Upon consideration of the Notice, the CSI's Motion for Final Agency Decision by Default, the Affidavit of Neil Brunett, and Respondent's lack of action, the Commissioner of Securities of Insurance, Montana State Auditor (Commissioner) makes the following:

FINDINGS OF FACT

1. On March 23, 2015, the CSI issued license producer number 0100132475 to Respondent.
 2. The CSI's statements of fact, as presented in its Notice, Motion, and the Affidavit of Neil Brunett, stand as unchallenged and establish that Respondent electronically submitted to AFLAC four applications for insurance policies, and was thereafter paid by American Family Life Assurance Company of Columbus (AFLAC) the commissions for the six policies in the amount of \$484.34. No premiums were paid for the policies and they were cancelled by AFLAC. The CSI alleges that these acts of the Respondent constituted insurance fraud and/or theft as specified in Montana law. In addition, the CSI alleges that the acts of the Respondent in July 2015, as well as her current circumstances, establish that she used dishonest practices and would be a continual danger to others involved in the insurance trade due to her untrustworthy and financially irresponsible actions.
 3. The CSI gave notice to Respondent of this proposed agency action by sending the Notice (certified mail) and its Motion for Final Agency Decision by Default
- Final Agency Decision by Default

via the United States Postal Service. The former was sent May 2, 2016; the latter June 24, 2016. No response was received by the CSI from the Respondent by the CSI or the Hearing Examiner.

CONCLUSIONS OF LAW

1. Any Findings of Fact more appropriately considered a Conclusion of Law is hereby incorporated into these Conclusions of Law.

2. The Commissioner has jurisdiction over insurance producers (any person or entity required to be licensed under the laws of this state to sell, solicit, or negotiate property or casualty insurance). The Commissioner's duties in this regard include the protection of the public and other persons engaged in the insurance business from illegal practices (practices that are prohibited by Titles 33 and 45, Mont. Code Ann.). Mont. Code Ann. §§ 33-1-1201 through 33-1-1211. *See also* Mont. Code Ann. § 33-1-311.

3. The notice provided to Respondent in this case fulfills the requirements set out in Montana Code Annotated Section 2-4-601 and Administrative Rules of Montana 1.3.214.

4. Pursuant to Montana Code Annotated Section §§ 33-1-317 and 33-1-1211, the Commissioner may impose a fine upon the Respondent up to \$5,000 per violation of relevant law, require Respondent to pay the costs of these proceedings, and require the Respondent to pay restitution.

ORDER

Based on the foregoing, IT IS ORDERED that:

1. Respondent shall make restitution to the Company in the amount of \$484.34 for all financial loss sustained as a result of the Respondent's fraud. All restitution must be paid no later than thirty (30) days from the date of this order; and

2. Respondent's insurance producer license number 0100132475 is hereby revoked.

DATED this 7th of September, 2016.



MONICA J. LINDEEN
Commissioner of Securities and Insurance
Office of the Montana State Auditor

cc: Jessica Culver, Respondent
Barb Harris, Attorney for CSI