

FEB 6 2012

State of Arizona

DEPARTMENT OF INSURANCE

DEPT OF INSURANCE  
BY 

In the Matter of:

**JAEGER, RANDALL EDWARD,**  
(Arizona License # 32005)  
(NPN # 3158797)

Respondent.

No. 12A-015-INS

**CONSENT ORDER**

The State of Arizona Department of Insurance ("Department") has received evidence that **Randall Edward Jaeger** has violated provisions of Title 20, Arizona Revised Statutes. Respondent wishes to resolve this matter without the commencement of formal proceedings, and admits the following Findings of Fact are true and consents to entry of the following Conclusions of Law and Order.

**FINDINGS OF FACT**

1. Randall Edward Jaeger ("Jaeger" or "Respondent") is licensed with the Department as a resident accident/health and life producer, Arizona license number 32005, which expires on July 31, 2015.

2. Respondent's addresses of record are: c/o National Future Benefits, 7150 E. Camelback Rd., #333, Scottsdale, Arizona 85251 (business and mailing); 5311 N. Palo Cristi Rd., Paradise Valley, Arizona 85253 (residence).

3. On May 26, 2011, Respondent filed an online renewal application with the Department ("Renewal Application").

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1           4.       Section C of the Renewal Application asks: Have you been convicted or found  
2 guilty of, have you had a judgment made against you for, or have you admitted to, any of the  
3 following that has not been previously disclosed in a written format by you to this agency?

- 4                   1. A felony (of any kind)?
- 5                   2. Obtaining or attempting to obtain any type of license through  
6 misrepresentation or fraud?
- 7                   3. Forging another's name to any document related (sic) to an insurance  
8 transaction?
- 9                   4. Withholding, misappropriating, converting or stealing money or property?
- 10                  5. Committing an insurance unfair trade practice or fraud?
- 11                  6. Using fraudulent, coercive or dishonest business practices, including but not  
12 limited to forgery, with intent to defraud?
- 13                  7. Conducting business in an incompetent, untrustworthy or financially  
14 irresponsible manner?
- 15                  8. Transacting, or helping someone else transact, insurance without the required  
16 license authority?
- 17                  9. Intentionally misrepresenting the terms of an actual or proposed insurance  
18 contract or application for insurance?

19           5.       Section D of the Renewal Application asks: Is any case currently pending  
20 against you in any jurisdiction accusing you of any issue listed in Section C? Respondent  
21 answered "No" to Section D.

22           6.       On January 26, 2011, Henry D. Gardner, Dorothy E. Gardner and East Valley  
23 Fiduciary Services, Inc. filed a Complaint in the Superior Court of the State of Arizona, In and  
for the County of Maricopa, CV2011-007461, against Randall E. Jaeger and others  
("Complaint"). The Complaint alleged the following counts:

- Count 1: Breach of Fiduciary Duty;
- Count 2: Constructive Fraud;
- Count 3: Common Law Fraud;
- Count 4: Accounting;
- Count 5: Negligent Misrepresentation;

1 Count 6: Negligent Misrepresentation – Defendants NFB, LLC and Randall  
Jaeger;  
2 Count 7: Defendants Randall Jaeger and NFB, LLC – Fraud in Sale of Security;  
3 Count 8: Agency/Vicarious Liability;  
4 Count 9: Aiding and Abetting Liability – Breach of Fiduciary Duty;  
5 Count 10: Aiding and Abetting Liability – Constructive Fraud;  
6 Count 11: Aiding and Abetting Liability – Common Law Fraud;  
7 Count 12: Aiding and Abetting – Fraud in Sale of Security;  
8 Count 13: Conspiracy;  
9 Count 14: Financial Exploitation of Vulnerable Adult – A.R.S. § 46-456;  
10 Count 15: Constructive Trust;  
11 Count 16: Declaratory Judgment; and  
12 Count 17: Punitive Damages.

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18 6. On October 25, 2011, Respondent voluntarily filed an amended application with  
19 the answer in Section D corrected to a “Yes” and notifying the Department of two pending  
20 cases<sup>1</sup>.

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<sup>1</sup> The second pending case: Complaint filed in Midland National Life Insurance Company, Inc. and North American Company for Life and Health Insurance v. National Future Benefits Unlimited, Inc., Randall Jaeger, et al., In the U.S. District Court, District of Arizona on April 11, 2011 contains the following allegations: Breach of Contract; Injurious Falsehood; Defamation, Libel and Slander; Negligence; Breach of Duty of Good Faith and Fair Dealing; and Injunctive Relief.

1 **CONCLUSIONS OF LAW**

2 1. The Director has jurisdiction over this matter.

3 2. Respondent's conduct, as alleged above, constitutes providing incorrect,  
4 misleading, incomplete or materially untrue information in the license application, within the  
5 meaning of A.R.S. § 20-295(A)(1).

6 3. Grounds exist for the Director to suspend, revoke, or refuse to renew  
7 Respondent's insurance license and/or impose a civil penalty pursuant to A.R.S. §§20-295(A)  
8 and (F).

9 **ORDER**

10 IT IS HEREBY ORDERED THAT:

11 1. Respondent shall pay a civil penalty of \$150 for deposit into the State General  
12 Fund.

13 DATED AND EFFECTIVE this 2<sup>nd</sup> day of February, 2012.

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16 CHRISTINA URIAS  
17 Director of Insurance

18 **CONSENT TO ORDER**

19 1. Respondent has reviewed the foregoing Findings of Fact, Conclusions of Law  
20 and Order.

21 2. Respondent admits the jurisdiction of the Director of Insurance, State of Arizona,  
22 and admits the foregoing Findings of Fact and consents to the entry of the foregoing  
23 Conclusions of Law and Order.

1           3.       Respondent is aware of his right to notice and hearing at which he may be  
2 represented by counsel, present evidence and examine witnesses. Respondent irrevocably  
3 waives his right to such notice and hearing and to any court appeals relating to this Consent  
4 Order.

5           4.       Respondent states that no promise of any kind or nature whatsoever, except as  
6 expressly contained in this Consent Order, was made to him to induce him to enter into this  
7 Consent Order and that he has entered into this Consent Order voluntarily.

8           5.       Respondent acknowledges that the acceptance of this Consent Order by the  
9 Director is solely to settle this matter against him and does not preclude any other agency,  
10 including the Department, officer, or subdivision of this state or this agency from instituting civil  
11 or criminal proceedings as may be appropriate now or in the future.

12           6.       Respondent acknowledges that this Consent Order is an administrative action  
13 that the Department will report to the National Association of Insurance Commissioners  
14 (NAIC). Respondent further acknowledges that he must report this administrative action to  
15 any and all states in which he holds an insurance license and must disclose this administrative  
16 action on any license application.

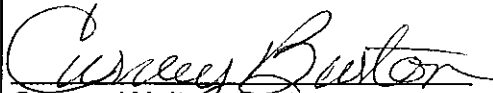
17 1/26/2012  
18 Date

  
Randall Edward Jaeger, Arizona License # 32005

19 COPIES of the foregoing mailed/delivered  
20 this 6th day of February, 2012, to:

21 Randall Edward Jaeger  
22 c/o National Future Benefits  
23 7150 E. Camelback Rd., #333  
Scottsdale, Arizona 85251  
Respondent

1 Mary E. Kosinski, Exec. Assistant for Reg. Affairs  
Mary Butterfield, Assistant Director  
2 Catherine M. O'Neil, Consumer Legal Affairs Officer  
Steven Fromholtz, Licensing Supervisor  
3 Erin Klug, Public Information Officer  
Department of Insurance  
4 2910 North 44<sup>th</sup> Street, Suite 210  
Phoenix, Arizona 85018

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6 Curvey Walters Burton

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