

MAY 10 2013

DEPT OF INSURANCE
BY 

STATE OF ARIZONA

DEPARTMENT OF INSURANCE

In the Matter of:

NUCKLES, CHAD B
(Arizona License Number 902932)
(National Producer Number 5455069)

No. 13A-059-INS

CONSENT ORDER

Respondent.

The State of Arizona Department of Insurance ("Department") has received evidence that **Chad B. Nuckles**("Respondent") 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. Chad B. Nuckles ("Nuckles") is, and was at all material times, licensed as an Arizona non-resident accident/health and life insurance producer, Arizona license number 902932, which expires March 31, 2015.
2. Nuckles' addresses of record are: 1483 N. 650 W., Orem, Utah 84057 (business and residence) and 3317 S, Higley Rd., Suite 114, Gilbert, Arizona 85297.
3. Between January 31, 2012 and November 30, 2012, Respondent telephonically impersonated two policy holders of Golden Rule and one producer to Golden Rule.

Davis Complaint

4. On or about February 5, 2013, Darby Davis ("Davis") filed a Request for Assistance with the Department ("Davis Complaint"). The Davis Complaint alleged that

1 Nuckles misrepresented the terms of several insurance policies and caused Davis to be billed
2 \$771.00. Nuckles represented the policies to Davis to be group policies. Instead, he
3 completed and forged the e-signature of Davis to short term policies. The fraudulent policies
4 were submitted to Golden Rule Insurance Company ("Golden Rule").

5 Faulkner Complaint

6 5. On or about February 15, 2013, Janice Faulkner ("Faulkner") filed a Request for
7 Assistance with the Department ("Faulkner Complaint"). The Faulkner Complaint alleged that
8 Nuckles forged her e-signature and submitted an unauthorized health insurance application to
9 Golden Rule on her behalf and caused Faulkner to be billed \$270.75. Faulkner recovered
10 \$201.52 from Golden Rule. The Department recovered the remaining \$69.23 from Golden
11 Rule for Faulkner.

12 Additional Victims

13 6. Between February 1, 2012 and February 1, 2013, Respondent submitted
14 approximately Seventy two (72) misrepresented applications for health, life, dental, and vision
15 insurance policies to Golden Rule causing seven (7) additional victims to be billed by providers
16 for services not covered by Golden Rule:

- 17 a. Nuckles falsified, misrepresented, and forged the e-signature of Cheron
18 Lange on two applications for medical insurance to Golden Rule. Nuckles
19 submitted the forged health insurance application to Golden Rule
20 representing that Cheron Lange did not have a medical condition knowing
21 that she did in fact have that medical condition.
- 22 b. Providers billed John Morgan ("Morgan") \$6,376.54 as a result of the
23 misrepresented policy Nuckles sold to him.

- 1 c. Providers billed Maria Ramos ("Ramos") \$5,076.62 as a result of the
2 misrepresented policy Nuckles sold to her.
- 3 d. Providers billed Barbara Jansen ("Jansen") \$1,839.18 as a result of the
4 misrepresented policy Nuckles sold to her.
- 5 e. Providers billed Barbara England ("England") \$508.51 as a result of the
6 misrepresented policy Nuckles sold to her.
- 7 f. Providers billed Margi Aldrich (Aldrich) \$439.00 as a result of the
8 misrepresented policy Nuckles sold to her.
- 9 g. Providers billed Judie Fedor ("Fedor") \$60.00 as a result of the
10 misrepresented policy Nuckles sold to her. Nuckles also misappropriated
11 \$259 in premium from Fedor. On or about February 15, 2012, the minor
12 child of Fedor was denied coverage by a provider for a medical condition.
13 Due to Respondent's misrepresentations, Fedor believed her child would
14 be covered. Fedor does not have the funds to cover the medical charges
15 the policy Respondent sold her does not cover.

16 CONCLUSIONS OF LAW

- 17 1. The Director has jurisdiction over this matter.
- 18 2. Respondent's conduct, as described above, constitutes a violation of Title 20,
19 within the meaning of A.R.S. § 20-295(A)(2).
- 20 3. Respondent's conduct, as described above, constitutes improperly withholding,
21 misappropriating or converting any monies or properties received in the course of doing
22 insurance business, within the meaning of A.R.S. § 20-295(A)(4).
- 23

1 2. Respondent admits the jurisdiction of the Director of Insurance, State of Arizona,
2 and admit the foregoing Findings of Fact and consent to the entry of the foregoing
3 Conclusions of Law and Order.

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

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

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

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

20 5/9/13
21 Date


21 Chad B. Nuckles, Arizona License # 902932

1 COPIES of the foregoing mailed/delivered
2 this 10th day of May, 2013, to:

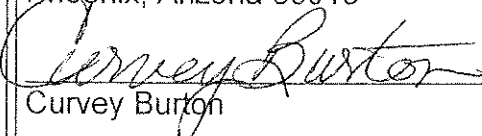
3 Chad B. Nuckles
4 998 E. 200 S.
5 American Fork, UT 84003
6 Respondent

7 Chad B. Nuckles
8 3317 S. Higley Rd. Suite 114
9 Gilbert, AZ 85297
10 Respondent

11 Chad B. Nuckles
12 4727 E. Redoak Ln. #101
13 Gilbert, AZ 85297
14 Respondent

15 Golden Rule Insurance Company
16 C/O Bonnie Brunton
17 7440 Woodland Drive
18 Indianapolis, IN 46278

19 Mary E. Kosinski, Executive Assistant for Regulatory Affairs
20 Mary Butterfield, Assistant Director, Consumer Affairs Division
21 Catherine M. O'Neil, Consumer Legal Affairs Officer
22 Steven Fromholtz, Licensing Supervisor
23 Charles Gregory, Supervisor Investigations Division
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18 Curvey Burton