

SEP 24 2018

DEPT OF INSURANCE
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STATE OF ARIZONA
DEPARTMENT OF INSURANCE

In the Matter of:
NICHOLS, SEPREE UNIQUE
(National Producer # 18411373),
Respondent.

No. 18A-049-INS
DEFAULT ORDER

On August 13, 2018, the Arizona Department of Insurance ("Department") issued a Notice of Hearing ("Notice") in the above-captioned matter, a copy of which is attached as **Exhibit A** and incorporated by this reference. The Notice required Sepree Unique Nichols ("Nichols" or "Respondent") to provide a written answer to the allegations set forth in the Notice within twenty days of the issuance of the Notice. As of this date, Respondent has failed to file an answer. On September 5, 2018, counsel for the Department filed a Motion for Default, a copy of which is attached as **Exhibit B**. As of this date, Respondent has not responded to the Department's request. Pursuant to A.A.C.R20-6-106(D), a party that fails to file an answer within the time provided shall be deemed to be in default and one or more of the allegations in the Notice of Hearing may be deemed to be admitted.

FINDINGS OF FACT

1. Notice was proper.
2. Respondent is in default.
3. The allegations in the Notice are deemed admitted.

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1 **CONCLUSIONS OF LAW**

2 1. The conduct alleged in the Notice constitutes grounds for the Director to
3 suspend, revoke or refuse to renew Respondent's license to transact insurance in Arizona,
4 pursuant to A.R.S. §20-295(A).

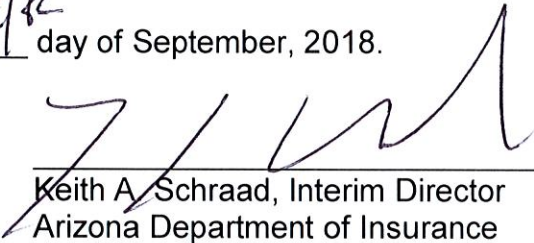
5 **ORDER**

6 IT IS ORDERED:

7 1. The insurance license held by Respondent is revoked effective upon the
8 issuance of this Order.

9 2. The hearing set for **September 28, 2018 at 1:00 p.m.** shall be vacated.

10 DATED this 24th day of September, 2018.

11
12 
13 _____
14 Keith A. Schraad, Interim Director
15 Arizona Department of Insurance

16 **COPY** of the foregoing electronically filed this
17 25th day of September, 2018 to:

18 Velva Moses-Thompson, Administrative Law Judge
19 Office of Administrative Hearings

20 **COPY** of the foregoing delivered same date to:

21 Mary Kosinski, Regulatory Legal Affairs Officer
22 Steven Fromholtz, Assistant Director, Consumer Protection Division
23 Aqueelah Currie, Licensing Manager
24 Arizona Department of Insurance
25 2910 North 44th Street, Suite 210
26 Phoenix, Arizona 85018

27 **COPY** of the foregoing emailed same date to:

28 Lynette Evans
29 Lynette.Evans@azag.gov
30 Attorney for the Arizona Department of Insurance

1 **COPY** mailed same date to:

2 Sepree Unique Nichols
3 17006 W. Watkins St.
4 Goodyear, AZ 85338
5 Respondent

6 Sepree Unique Nichols
7 c/o American Income Life
8 4001 E. Broadway Road
9 Phoenix, AZ 85040
10 Respondent

11 Sepree Unique Nichols
12 SEPREENICHOLS@GMAIL.COM
13 Respondent

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15 _____
16 7280453

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STATE OF ARIZONA
DEPARTMENT OF INSURANCE

In the Matter of:

NICHOLS, SEPREE UNIQUE
(National Producer Number 18411373)

Respondent.

Docket No. 18A-049-INS

NOTICE OF HEARING

(ALJ Velva Moses-Thompson)

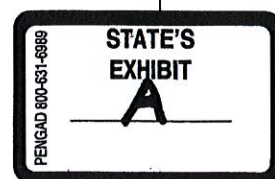
PLEASE TAKE NOTICE that the above-captioned matter will be heard before the Interim Director of Insurance of the State of Arizona (the "Interim Director") or his duly designated representative on **September 28, 2018 at 1:30 p.m., at the Office of Administrative Hearings, 1740 West Adams Street, Lower Level, Phoenix, Arizona 85007¹.**

If you wish to continue this hearing to another date, you must file a motion in writing with the Office of Administrative Hearings not less than **15 days** before the scheduled hearing date. Please send it to the attention of the Administrative Law Judge ("ALJ") and include the docket number listed above. You must also mail or hand-deliver a copy of any motion to continue to the Department of Insurance on the same date you file it with the Office of Administrative Hearings.

You are not required to have an attorney represent you. However, if you are represented, your attorney must be licensed to practice law in the State of Arizona. An insurance company may be represented by a corporate officer. A.R.S. § 20-161(B).

You are entitled to be present during the giving of all evidence and you will have a reasonable opportunity to inspect all documentary evidence, examine witnesses, present

¹As authorized under Arizona Revised Statutes ("A.R.S.") §§ 20-161 through and including 20-165 and Title 41, Chapter 6, Article 10 (A.R.S. § 41-1092 *et seq.*).



1 evidence that supports your case and to request that the ALJ issue subpoenas to compel the
2 attendance of witnesses and production of evidence. A.R.S. §20-164(B).

3 A clear and accurate record of the proceedings will be made either by a court reporter
4 or by electronic means. A.R.S. § 41-1092.07(E). If you want a copy of an electronic recording,
5 you must contact the Office of Administrative Hearings at (602) 542-9826. If the hearing was
6 transcribed by a court reporter and you want a copy of the transcript, you must pay the cost of
the transcript to the court reporter or other transcriber.

7 Questions concerning issues raised in this Notice of Hearing should be directed to
8 Assistant Attorney General Lynette Evans, telephone number (602) 542-4951, 2005 N. Central
Ave., Phoenix, Arizona 85004, Lynette.Evans@azag.gov.

9 **NOTICE OF APPLICABLE RULES**

10 On January 23, 1992, we adopted the rules of practice and procedure applicable in
11 contested cases before the Director of Insurance. The hearing will be conducted pursuant to
12 these rules. A.A.C. R20-6-101 through R20-6-115.

13 YOU MUST FILE A WRITTEN RESPONSE (ANSWER) TO THE ALLEGATIONS IN
14 THIS NOTICE WITH US WITHIN **20 DAYS** AFTER WE ISSUE THIS NOTICE. A.A.C.
15 R20-6-106. YOUR RESPONSE SHOULD STATE YOUR POSITION OR DEFENSE AND
16 SHOULD SPECIFICALLY ADMIT OR DENY EACH ASSERTION IN THE NOTICE. IF YOU
DO NOT SPECIFICALLY DENY AN ASSERTION, WE WILL CONSIDER IT ADMITTED. ANY
DEFENSE YOU DO NOT RAISE WILL BE CONSIDERED WAIVED.

17 IF YOU DO NOT FILE YOUR RESPONSE ON TIME, WE WILL CONSIDER YOU IN
18 DEFAULT AND THE DIRECTOR MAY DEEM THE ALLEGATIONS IN THE NOTICE AS
19 TRUE. ACCORDINGLY, WE WILL TAKE WHATEVER ACTION IS APPROPRIATE
20 INCLUDING SUSPENSION, REVOCATION, IMPOSITION OF A CIVIL PENALTY AND
21 ORDERING RESTITUTION TO ANY INJURED PERSON.

22 **PERSONS WITH DISABILITIES**

23 PERSONS WITH DISABILITIES MAY REQUEST REASONABLE
24 ACCOMMODATIONS SUCH AS INTERPRETERS, ALTERNATIVE FORMATS, OR

1 ASSISTANCE WITH PHYSICAL ACCESSIBILITY. REQUESTS FOR ACCOMMODATIONS
2 SHOULD BE MADE AS EARLY AS POSSIBLE TO ALLOW TIME TO ARRANGE THE
3 ACCOMMODATIONS. IF YOU REQUIRE ACCOMMODATIONS, PLEASE CONTACT THE
4 OFFICE OF ADMINISTRATIVE HEARINGS AT (602) 542-9826.

5 The allegations supporting this Notice of Hearing are as follows:

6 1. Sepree Unique Nichols ("Respondent") is and was at all material times licensed
7 as a resident insurance producer with lines of authority in life and accident and health or
8 sickness, National Producer Number 18411373, which expires March 31, 2021.

9 2. Respondent's business address of record with the Department is: c/o American
10 Income Life, 4001 E. Broadway Road, Phoenix, AZ 85040 and her business e-mail is:
11 SEPREENICHOLS@GMAIL.COM.

12 3. On or about May 16, 2017, the Department issued to Respondent a license as an
13 insurance producer, National Producer Number 18411373.

14 4. On November 6, 2017, the Department notified Respondent by mail at her
15 address of record that her fingerprint card had been processed and returned by the Arizona
16 Department of Public Safety (DPS) as illegible. The Department requested a replacement set
17 of fingerprints along with a completed "Illegible Fingerprint Replacement Form" on or before
18 November 30, 2017. Respondent did not reply to the Department's request.

19 5. On March 2, 2018, the Department notified Respondent a second time by mail at
20 her address of record that her fingerprints had been returned by DPS as illegible and that the
21 Department was about to initiate an administrative action against her license for failure to
22 comply with the fingerprint requirement. The Department requested a response by March 30,
23 2018.

24 6. To date, Respondent has not submitted a full set of fingerprints to the
Department.

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VIOLATIONS

7. Respondent's conduct as described above constitutes the violation of the requirement that an applicant submit a full set of fingerprints to the Department within the meaning of A.R.S. § 20-285(E)(2).

8. Respondent's conduct as described above constitutes providing incomplete information in the license application within the meaning of A.R.S. § 20-295(A)(1).

9. Respondent's conduct as described above constitutes the violation of any provision of A.R.S. Title 20 or any rule, subpoena or order of the director within the meaning of A.R.S. § 20-295(A)(2).

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

WHEREFORE, if after hearing, the Interim Director finds the grounds alleged above, the Interim Director may deny, suspend, or revoke Respondent's insurance producer's license and impose a civil penalty. A.R.S. §§ 20-295(A) and (F).

The Interim Director delegates the authority vested in him to the Director of the Office of Administrative Hearings or his designee to preside over the hearing of this matter as the Administrative Law Judge, to make written recommendations to the Interim Director consisting of proposed findings of fact, proposed conclusions of law, and a proposed order. This delegation does not include delegation of the authority of the Director to make an order on the hearing or any other final decision in this matter. A.R.S. § 20-150.

Pursuant to A.R.S. § 41-1092.01, your hearing will be conducted through the Office of Administrative Hearings, an independent agency. Further hearing information may be found at the Office of Administrative Hearings website: www.azoah.com.

DATED this 7th day of August, 2018.



Mary Kosinski, Regulatory Legal Affairs Officer
Arizona Department of Insurance

1 **E-FILE** of the foregoing delivered electronically
this 13th day of August, 2018, to:

2 ALJ Velva Moses-Thompson
3 oahnoticesofhearing@azoah.com
4 Office of Administrative Hearings

5 **COPY** of the foregoing delivered this
13th day of August, 2018 to:

6 Mary Kosinski, Regulatory Legal Affairs Officer
7 Steven Fromholtz, Asst. Director, Consumer Protection Division
8 Aqueelah Currie, Licensing Manager
9 Arizona Department of Insurance
2910 North 44th Street, Suite 210
Phoenix, Arizona 85018

10 **COPY** mailed same date by Regular Mail
and Certified Mail, Return Receipt Requested, to:

11 Sepree Unique Nichols
12 American Income Life
4001 E. Broadway Road
13 Phoenix, AZ 85040
Respondent

14 Sepree Unique Nichols
15 17006 W. Watkins St.
Goodyear, AZ 85338
Respondent

16 **COPY** sent same date via electronic mail to:

17 Sepree Unique Nichols
18 SEPREENICHOLS@GMAIL.COM
Respondent

19 Lynette Evans
20 Assistant Attorney General
AdminLaw@azag.gov
21 Attorney for the Department of Insurance

22 
23 _____
7113920
24

STATE OF ARIZONA
FILED

SEP 05 2018

DEPT OF INSURANCE
BY MEK

1 MARK BRNOVICH
2 Attorney General
3 Firm Bar No. 14000

4 Lynette Evans
5 State Bar No. 021069
6 Assistant Attorney General
7 Public Law Section
8 2005 N. Central Ave.
9 Phoenix, Arizona 85004
10 Telephone: (602) 542-4951
11 Facsimile: (602) 542-4385
12 E-mail: Lynette.Evans@azag.gov
13 Attorneys for the Arizona Department of Insurance

STATE OF ARIZONA
DEPARTMENT OF INSURANCE

11 In the Matter of:

No. 18A-049-INS

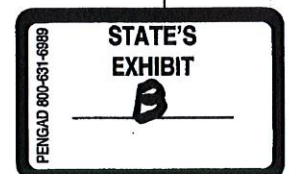
12 **NICHOLS, SEPREE UNIQUE**
13 (National Producer Number 18411373)

MOTION FOR DEFAULT

14 Respondent.

15
16 The Arizona Department of Insurance ("Department"), by and through undersigned
17 counsel, hereby requests that the Findings of Fact and Conclusions of Law set forth in the
18 Notice of Hearing and incorporated herein by reference be entered in this matter, deeming
19 Sepree Unique Nichols ("Nichols" or "Respondent"), in default, deeming the allegations set
20 forth in the Notice as true, and ordering that Respondent's insurance license be revoked.

21 On August 13, 2018, a Notice of Hearing ("Notice") was filed in this matter and
22 served upon Sepree Unique Nichols at her address of record via certified mail pursuant to
23 A.R.S. § 41-1092.04. On August 20, 2018, the Department received the certified mail
24 return receipt, No. 7004 0750 0001 8551 3992, showing that the Notice had been delivered
25 and accepted at Respondent's mailing addresses of record: 17006 W. Watkins St.,
26



1 Goodyear, AZ 85338. A copy of the certified mail receipt is attached to this request as
2 **Exhibit A.**

3 Respondent had twenty (20) days from the date of issuance of the Notice to file a
4 written answer to the allegations contained therein pursuant to Arizona Administrative Code
5 ("A.A.C") R20-6-106. As of the date of this Motion, Respondent has not filed an answer nor
6 has she appeared through counsel. Rule 20-6-106(D) of the Arizona Administrative Code
7 provides that if an answer is not timely filed, the Respondent shall be deemed in default
8 and the Director may deem the allegations set forth in the Notice of Hearing as true and
9 take whatever action is appropriate including revoking the license.

10 The allegations supporting the Notice of Hearing are as follows:

11 1. Sepree Unique Nichols ("Respondent") is and was at all material times
12 licensed as a resident insurance producer with lines of authority in life and accident and
13 health or sickness, National Producer Number 18411373, which expires March 31, 2021.

14 2. Respondent's business address of record with the Department is: c/o
15 American Income Life, 4001 E. Broadway Road, Phoenix, AZ 85040 and her business e-
16 mail is: SEPREENICHOLS@GMAIL.COM.

17 3. On or about May 16, 2017, the Department issued to Respondent a license
18 as an insurance producer, National Producer Number 18411373.

19 4. On November 6, 2017, the Department notified Respondent by mail at her
20 address of record that her fingerprint card had been processed and returned by the Arizona
21 Department of Public Safety (DPS) as illegible. The Department requested a replacement
22 set of fingerprints along with a completed "Illegible Fingerprint Replacement Form" on or
23 before November 30, 2017. Respondent did not reply to the Department's request.

24 5. On March 2, 2018, the Department notified Respondent a second time by
25 mail at her address of record that her fingerprints had been returned by DPS as illegible
26 and that the Department was about to initiate an administrative action against her license

1 for failure to comply with the fingerprint requirement. The Department requested a
2 response by March 30, 2018.

3 6. To date, Respondent has not submitted a full set of fingerprints to the
4 Department.

5 Based upon the foregoing, the Department respectfully requests that the allegations
6 set forth in the August 13, 2018 Notice of Hearing be deemed admitted and that
7 Respondent's insurance license be revoked.

8 RESPECTFULLY SUBMITTED this 5th day of September, 2018.

9 MARK BRNOVICH, Attorney General

10 By /s/ Lynette Evans
11 Lynette Evans, Assistant Attorney General
Attorneys for the Arizona Department of Insurance

12 **COPY** of the foregoing electronically filed this
13 5th day of September, 2018 to:

14 Mary Kosinski, Regulatory Legal Affairs Officer
15 Steven Fromholtz, Assistant Director, Consumer Protection Division
16 Aqueelah Currie, Licensing Manager
Arizona Department of Insurance

17 **COPY** mailed and e-mailed same date to:

18 Sepree Unique Nichols
19 17006 W. Watkins St.
Goodyear, AZ 85338
Respondent

20 Sepree Unique Nichols
21 c/o American Income Life
22 4001 E. Broadway Road
Phoenix, AZ 85040
Respondent

23 Sepree Unique Nichols
24 SEPREENICHOLS@GMAIL.COM.

25 Respondent Meresa Carranza
26 7280046

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<ul style="list-style-type: none"> Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mail piece, or on the front if space permits. 	<p>Signature: <i>[Handwritten Signature]</i></p> <p><input type="checkbox"/> Agent <input type="checkbox"/> Addressee</p> <p>B. Restricted Delivery: <input checked="" type="checkbox"/> <i>Priority Mail</i> <input type="checkbox"/> Parcel Delivery</p>
<p>1. Article Addressed to:</p> <div style="border: 1px solid black; padding: 5px; text-align: center;"> <p>Sepree Unique Nichols 17006 W. Watkins St. Goodyear, AZ 85338</p> </div>	<p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No</p> <p>3. Service Type: <input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D. <input type="checkbox"/> Restricted Delivery (Extra Fee) <input type="checkbox"/> Yes</p>
<p>2. Article Number (Required)</p>	<p>7004 0750 0001 8551 3492</p>
<p>PS Form 3819, February 2004 Domestic Return Receipt (2405-02) (6140)</p>	

UNITED STATES POSTAL SERVICE

First-Class Mail
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• Sender: Please print your name, address, and ZIP+4 in this box. •

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 AUG 24 2018
 ADMINISTRATIVE SERVICES

Arizona Department of Insurance
 100 North 15th Avenue, Suite 102
 Phoenix, AZ 85007-2624

Tony Mc Cormack

5007-2624-27