The Arizona Department of Insurance and Financial Institutions ("Department") has received evidence that Eric Nelson ("Respondent") violated provisions of Arizona Revised Statutes ("A.R.S.") Title 20. Respondent wishes to resolve this matter without the commencement of formal proceedings, admits the following Findings of Fact are true, and consents to the entry of the following Conclusions of Law and Order.

**FINDINGS OF FACT**

1. Respondent was at all material times licensed as an Arizona resident insurance producer, National Producer Number 9296297, with lines of authority in casualty, life, property, credit, and accident and health or sickness insurance. The Department first licensed Respondent on April 2, 2020. Respondent’s license is scheduled to expire on June 30, 2023.

2. Respondent’s address of record with the Department is: 843 South Longmore, #2193, Mesa, Arizona 85202 (business).

3. On or about October 29, 2021, the Department received a letter from The Chesapeake Life Insurance Company ("The Chesapeake") notifying the Department that
The Chesapeake “has terminated Eric Nelson for cause” and alleging Respondent’s conduct violated The Chesapeake’s “policy and/or the terms of the Producer Agreement between the [The Chesapeake] and said Producer.”

4. The Department commenced an investigation into this matter. The Department’s investigation determined the following:

   a.) On or about April 12, 2021, Respondent submitted an insurance policy application to The Chesapeake for an Arizona consumer A.S. containing incorrect information (as explained in subsection c) below) and signed without A.S.’s knowledge or authorization.

   b.) On or about May 13, 2021, Respondent submitted an insurance policy application to The Chesapeake for an Arizona consumer R.M. containing untrue information (as explained in subsection c) below) and signed without R.M.’s knowledge or authorization.

   c.) A.S.’s and R.M.’s applications contained untrue information listing identical cell phone number (XXX-XXXX-7407) and email address (XXXXX@gmail.com) for applicants’ contact information. Neither the cell phone number nor the email address belonged to A.S. or R.M. The Chesapeake’s internal investigation determined that the cell phone number - 7407 belonged to Respondent’s Sale Leader, while the owner of the email address XXXXX@gmail.com remains unidentified. The investigation concluded that Respondent listed the XXX-XXXX-7407 number to receive the DocuSign verification codes needed to sign into DocuSign. Furthermore,
Respondent listed the XXXXX@gmail.com email in order to then electronically sign the consumer’s insurance applications. Evidence suggests that Respondent did not obtain the consumer’s consent prior to signing the applications.

e) On or about May 5, 2022, the Department conducted an examination under oath (“EUO”) of Respondent. During the EUO, Respondent stated that he doesn’t recall why he entered incorrect information in the applications and refused to answer any further questions. Respondent then stated that he is invoking his privilege against self-incrimination under the Fifth Amendment.

**CONCLUSIONS OF LAW**

5. The Director has jurisdiction over this matter.

6. Respondent’s conduct, as described above, constitutes a violation of Title 20 or any rule, subpoena or order of the Director. A.R.S. § 20-295(A)(2).

8. Respondent’s conduct, as described above, constitutes using fraudulent, coercive or dishonest practices, or demonstrating incompetence, untrustworthiness or financial irresponsibility in the conduct of business in this state or elsewhere. A.R.S. § 20-295(A)(8).

9. Respondent’s conduct, as described above, constitutes forging another’s name to any document related to an insurance transaction. A.R.S. § 20-295(A)(10).

10. Grounds exist for the Director to deny, suspend for not more than twelve months, revoke or refuse to renew an insurance producer's license. A.R.S. § 20-295(A).
ORDER

IT IS HEREBY ORDERED THAT:

Eric Nelson’s Arizona resident insurance producer license, number 9296297, is revoked effective immediately.

Effective this 20th day of July, 2022.

Evan G. Daniels, Director
Arizona Department of Insurance and Financial Institutions
CONSENT TO ORDER

1. Respondent acknowledges that it has been served with a copy of the foregoing Consent Order in the above-referenced matter, has read it, is aware of its right to an administrative hearing in this matter and has knowingly and voluntarily waived that right.

2. Respondent accepts the personal and subject matter jurisdiction of the Department over it in this matter.

3. Respondent acknowledges that no promise of any kind or nature has been made to induce it to sign the Consent to Order and it has done so knowingly and voluntarily.

4. Respondent acknowledges and agrees that the acceptance of this Consent to Order by the Director is solely to settle this matter and does not preclude the Department from instituting other proceedings as may be appropriate now or in the future. Furthermore, and notwithstanding any language in this Consent Order, this Consent Order does not preclude in any way any other state agency or officer or political subdivision of this state from instituting proceedings, investigating claims, or taking legal action as may be appropriate now or in the future relating to this matter or other matters concerning Respondent, including but not limited to violations of Arizona’s Consumer Fraud Act. Respondent acknowledges that, other than with respect to the Department, this Consent Order makes no representations, implied or otherwise, about the views or intended actions of any other state agency or officer or political subdivision of the state relating to this matter or other matters concerning Respondent.
6. Respondent waives all rights to seek an administrative or judicial review or otherwise to challenge or contest the validity of this Consent Order and its accompanying parts before any court of competent jurisdiction.

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

7/18/2022 ________________________________
DATE ERIC NELSON

ERIC NELSON (NATIONAL PRODUCER NO. 9296297)
COPY of the foregoing delivered via email this 5th day of August, 2022, to:

Eric Nelson
843 S. Longmore, #2193
Mesa, AZ 85202

COPY of the foregoing delivered/emailed same date, to:

Deian Ousounov, Assistant Director
Ana Starcevic, Paralegal Project Specialist
Cathy O’Neil, Consumer Regulatory Affairs Officer
Steven Fromholtz, Division Manager, Licensing
Linda Lutz, Legal Assistant, Licensing
Aqueelah Currie, Licensing Supervisor
Michael Vukson, Investigator
Arizona Department of Insurance and Financial Institutions
100 North 15th Avenue, Suite 261
Phoenix, Arizona 85007-2630

Eric Nelson

Francisco Juarez