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FILED
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Department of Insurance
State of Idaho

Attorneys for the Department of Insurance

BEFORE THE DIRECTOR OF THE DEPARTMENT OF INSURANCE
STATE OF IDAHO

In the Matter of:

TODD A. SCHNICK

Resident Producer License No. 79516

Docket No. 18-2889-13

CONSENT ORDER

The parties herein, namely the Idaho Department of Insurance (the "Department"), by and through its counsel of record, Richard B. Burleigh, Deputy Attorney General, and TODD A. SCHNICK, Resident Producer Agent License No. 79516 ("SCHNICK"), do hereby agree and stipulate as follows:

FINDINGS OF FACT

1. SCHNICK is duly authorized as a resident producer under title 41 of the Idaho Code, holding License No. 79516, which license was originally issued September 15, 2000, and expires January 31, 2015, and is therefore subject to the provisions of title 41, Idaho Code, and to the rules of the Idaho Department of Insurance promulgated thereunder.

2. On January 28, 2013, the State of Washington Office of Insurance Commissioner (“OIC”) entered a Consent Order Suspending License and Levying Fine, No. 13-0016 (“Washington Consent Order”), which Washington Consent Order concerned SCHNICK.

3. OIC found that SCHNICK:

i. By making false representations in applications about where an application was completed and signed, violated RCW 48.30.210 (under Washington’s insurance Unfair Practices and Fraud act).

ii. By selling and using annuity contracts that had not been filed with and approved by the Washington Insurance Commissioner, violated RCW 48.18.100.

iii. By failing to complete and deliver a Washington replacement form to an annuity applicant who was replacing another annuity, violated WAC 284-23-440.

4. The Washington Consent Order also stated as follows:

“The OIC’s investigation also disclosed that several of the applications for these annuities falsely stated the applications were signed in Idaho where the annuities were approved when the applications were actually signed in Washington.”

5. On March 15, 2012, State of Minnesota, Commissioner of Commerce (“MNCOC”) entered a Consent Order whereby SCHNICK surrendered his Minnesota non-resident insurance producer license for three (3) years and agreed not to act as an investment advisor or investment advisor representative for three (3) years in Minnesota.

6. On January 2, 2013, SCHNICK submitted an online renewal application (“Application”) to the Department for the renewal of his resident license.

7. In response to Background Question No. 2 of the Application, which asks: “Have you been named or involved as a party in an administrative proceeding including FINRA sanction or arbitration proceeding regarding any professional or occupational license or

registration, which has not been previously reported to this insurance department?” SCHNICK answered “No.” The MNCOC Consent Order was a reportable event.

8. The Washington Consent Order and the MNCOC Consent Order are a reportable events pursuant to Idaho Code § 41-1021(1).

9. No report or documentation concerning the Washington Consent Order or the MNCOC Consent Order was received by the Department from SCHNICK in compliance with Idaho Code § 41-1021(1).

10. The parties agree that this matter may be brought to a close by this negotiated and stipulated Consent Order.

CONCLUSIONS OF LAW

11. SCHNICK violated Idaho Code § 41-1021(1) by failing to report MNCOC Consent Order and the Washington Consent Order.

12. SCHNICK violated Idaho Code § 41-1016(1)(a) by providing a false response on the Application.

13. SCHNICK committed an unfair trade practice under Washington law, thereby triggering the Director’s authority under Idaho Code § 41-1016(1)(g) to suspend the license of, and impose a penalty against SCHNICK.

14. SCHNICK falsely stated that certain annuity applications were signed in Idaho when the applications were actually signed in Washington thereby triggering the Director’s authority under Idaho Code § 41-1016(1)(e) to suspend the license of, and impose a penalty against SCHNICK.

15. SCHNICK insurance license was suspended in Washington thereby triggering the Director’s authority under Idaho Code § 41-1016(1)(i) to suspend the license of, and impose a penalty against SCHNICK

CONSENT TO ORDER

16. SCHNICK consents to the entry of this Order and waives any right to notice and hearing at which he may be represented by counsel, present evidence and examine witnesses.

17. SCHNICK and the Department agree that SCHNICK will pay an administrative penalty in the amount of Two Thousand Five Hundred Dollars (\$2,500.00) to the Department within ninety (90) days from entry of this Consent Order.

18. SCHNICK and the Department agree that SCHNICK's resident producer license no. 79516 shall be suspended for a period of ninety (90) days from the entry of this Consent Order.

19. SCHNICK hereby waives the right to seek reconsideration and judicial review of the Order entered herein.

20. SCHNICK agrees that the terms of this Consent Order are appropriate and proper under the circumstances referenced herein and that he has entered into this Consent Order knowingly, voluntarily and with full knowledge of any rights he may be waiving thereby.

AGREED THIS 30th day of January, 2014.

By: 
TODD A. SCHNICK

FINAL ORDER

Pursuant to the foregoing Findings of Fact, Conclusions of Law and Consent to Order,
IT IS HEREBY ORDERED,

1. TODD A. SCHNICK shall pay an administrative penalty in the amount of Two Thousand Five Hundred Dollars (\$2,500.00) to the Department within ninety (90) days from entry of this Consent Order.

2. TODD A. SCHNICK's resident producer license no. 79516 shall be suspended for a period of ninety (90) days from the entry of this Consent Order.

DATED this 30th day of January, 2014.

STATE OF IDAHO
DEPARTMENT OF INSURANCE



WILLIAM W. DEAL
Director

NOTICE REGARDING REPORTABLE PROCEEDINGS

The foregoing is considered a reportable administrative proceeding. As such, it is a public record and is public information that may be disclosed to other states and reported to companies for which you are actively appointed. This information will be reported to the National Association of Insurance Commissioners (NAIC) and will appear in the online searchable database of the Idaho Department of Insurance. You should be aware that this proceeding must be disclosed on any insurance license application and must be reported to any and all states in which you hold an insurance license.

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that, on this 30th day of January, 2014, I caused a true and correct copy of the foregoing, fully-executed **CONSENT ORDER** to be served upon the following by the designated means:

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- first class mail
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American General Life Insurance Company
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North American Company For Life And Health
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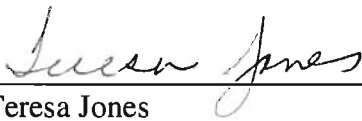
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Teresa Jones