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**FILED**  
**NOV 03 2020**  
Department of Insurance  
State of Idaho

*Attorney for Idaho Department of Insurance*

**BEFORE THE DIRECTOR OF THE DEPARTMENT OF INSURANCE  
STATE OF IDAHO**

IDAHO DEPARTMENT OF INSURANCE,

Complainant,

vs.

CATHERINE KAYLEEN NICHOLSON, an  
individual holding Idaho Resident Producer  
License No. 487243,

Respondent.

Docket No. 18-3790-20

**ORDER OF DEFAULT**

The Director of the Idaho Department of Insurance (“Director”) having reviewed the record herein; and CATHERINE KAYLEEN NICHOLSON (“NICHOLSON”), who currently holds Idaho Resident Producer License No. 487243, having been lawfully served the Verified Complaint and Notice of Right to Hearing, a copy of which is attached hereto as Exhibit A and incorporated herein, and, as evident from the Affidavit of Michael Witry, having failed to file an answer thereto and having failed to request a hearing regarding said Verified Complaint; and the Director having

found as a result thereof that NICHOLSON has waived her rights regarding the opportunity for hearing; and in consideration of the above;

IT IS HEREBY ORDERED that Idaho Resident Producer License No. 487243 issued to NICHOLSON is REVOKED effective immediately.

IT IS FURTHER ORDERED that NICHOLSON shall not be issued a new license under title 41, Idaho Code, for a period of five (5) years after which time, in the event NICHOLSON seeks a new license, NICHOLSON must petition and show good cause why the prior revocation should not be deemed a bar to the issuance of a new license.

IT IS FURTHER ORDERED that NICHOLSON shall pay to the Idaho Department of Insurance an administrative penalty of One Thousand Dollars (\$1,000).

DATED this 3 day of November, 2020.

STATE OF IDAHO  
DEPARTMENT OF INSURANCE

  
DEAN L. CAMERON  
Director

### **NOTIFICATION REGARDING REPORTABLE PROCEEDINGS**

This 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 of which you are actively appointed. This information may be reported to other government agencies. Be aware that you may be required to disclose this proceeding on any license application, and you may be required to report this action to any and all states in which you hold a license.

### **NOTIFICATION OF RIGHTS**

This constitutes a final order of the agency. Any party may file a motion for reconsideration of this final order within fourteen (14) days of the service date of this order. The agency will dispose of the petition for reconsideration within twenty-one (21) days of its receipt, or the petition will be considered denied by operation of law. *See* Idaho Code § 67-5246(4).

Pursuant to Idaho Code §§ 67-5270 and 67-5272, any party aggrieved by this final order may appeal it by filing a petition for judicial review in the district court of the county in which: (1) the hearing was held; or (2) the final agency action was taken; or (3) the aggrieved party resides or operates its principal place of business in Idaho; or (4) the real property or personal property that was the subject of the agency decision is located. An appeal must be filed within twenty-eight (28) days of: (a) the service date of this final order, or (b) an order denying a petition for reconsideration, or (c) the failure within twenty-one (21) days to grant or deny a petition for reconsideration, whichever is later. *See* Idaho Code § 67-5273. The filing of a petition for judicial review to the district court does not itself stay the effectiveness or enforcement of the order under appeal. Idaho Code § 67-5274.

**CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that on this 3<sup>rd</sup> day of November, 2020, I caused a true and correct copy of the foregoing ORDER OF DEFAULT to be served upon the following by the designated means:

Catherine Kayleen Nicholson  
1065 Pennwood Street  
Meridian, ID 83642

- first class mail
- certified mail
- hand delivery
- facsimile
- email

Catherine Kayleen Nicholson  
86 N. Center Street  
Star, ID 83669

- first class mail
- certified mail
- hand delivery
- facsimile
- email

Michael Witry  
Deputy Attorney General  
Idaho Department of Insurance  
PO Box 83720  
Boise, Idaho 83720-0043

- first class mail
- certified mail
- hand delivery
- facsimile
- email

  
\_\_\_\_\_  
Pamela Murray

LAWRENCE G. WASDEN  
Attorney General

MICHAEL WITRY – I.S.B. No. 7960  
Deputy Attorney General  
Idaho Department of Insurance  
700 W. State Street, 3<sup>rd</sup> Floor  
PO Box 83720  
Boise, Idaho 83720-0043  
Telephone No. (208) 334-4219  
Facsimile No. (208) 334-4298

**FILED** *AM*  
**SEP 18 2020**  
Department of Insurance  
State of Idaho

*Attorneys for Idaho Department of Insurance*

**BEFORE THE DIRECTOR OF THE DEPARTMENT OF INSURANCE**

**STATE OF IDAHO**

IDAHO DEPARTMENT OF INSURANCE,

Complainant,

vs.

CATHERINE KAYLEEN NICHOLSON, an  
individual holding Idaho Resident Producer  
License No. 487243,

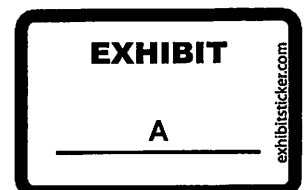
Respondent.

Docket No. 18-3790-20

**VERIFIED COMPLAINT AND  
NOTICE OF RIGHT TO HEARING**

COMES NOW the staff of the Idaho Department of Insurance (“Department”), by and through its undersigned counsel, Michael Witry, Deputy Attorney General, and does hereby give notice of verified allegations constituting violation(s) of Idaho law, notice that relief will be requested from the Director of the Department, and a notice of the right to contest the allegations and requested relief herein and right to hearing to:

**CATHERINE KAYLEEN NICHOLSON**  
**Idaho Resident Producer License No. 487243.**



The Department alleges the following facts and violations of title 41, Idaho Code, as itemized below. The Department will present an order seeking the relief described below upon twenty-one (21) days following service of this Verified Complaint, and CATHERINE KAYLEEN NICHOLSON is further notified of her right to object to the requested relief, including the basis for any objection, and to request a hearing in writing.

### **JURISDICTION**

1. Jurisdiction in this matter is founded in the Idaho Insurance Code, Idaho Code § 41-101 et seq., including Idaho Code § 41-210, which authorizes the Director of the Department of Insurance (“Director”) to enforce the provisions of title 41 of the Idaho Code, including those governing Respondent’s activities as an insurance producer.

2. Jurisdiction is further founded in Idaho Code § 41-213, which authorizes the Department to institute such proceedings as deemed necessary for the enforcement of any provision of the Idaho Insurance Code including, but not limited to, license revocation and the imposition of administrative penalties.

### **RESPONDENT**

3. CATHERINE KAYLEEN NICHOLSON (hereinafter “NICHOLSON”) was and is an Idaho resident during all pertinent times as alleged herein and carries Idaho Resident Producer License No. 487243, which license expired on August 31, 2020.

### **CONTROLLING LAW**

4. Idaho Code § 41-1016(1) provides that the Director may suspend, revoke or refuse to issue or renew a producer’s license and may impose an administrative penalty up to one thousand dollars (\$1,000), if the Director finds that any of the causes or violations set forth in subsections 41-1016(1)(a) through (o) exist, including specifically subsection (e), which prohibits:

(e) Misrepresenting the terms of an actual or proposed insurance contract or application for insurance or misrepresenting any fact material to any insurance transaction or proposed transaction;

5. Pursuant to Idaho Code § 41-1026(3), the Director shall not issue a license under title 41, Idaho Code, to any person whose license has been revoked until after the expiration of not less than one (1) year to a maximum of five (5) years and, upon a former licensee's application for re-licensure, the Director may require the former licensee "to show good cause why the prior revocation ... shall not be deemed a bar to the issuance of a new license."

### COUNT I

6. All of the foregoing paragraphs are realleged and incorporated herein as though set forth in full.

7. NICHOLSON and Christopher Maupin were co-owners of a 2013 Ford F150.

8. Maupin insured the F150 through Grange Insurance Association ("Grange"). He obtained the policy in his name only. He purchased the policy through NICHOLSON when NICHOLSON was employed by Hulme Insurance, agents for Grange.

9. On or about March 16, 2019, Maupin's policy lapsed for non-payment.

10. On or about March 18, 2019, Maupin was driving the F150. He struck and killed a cow.

11. Approximately fifteen minutes after the accident, Maupin phoned NICHOLSON and sent her photographs of the damage to the F150 via text message.

12. Approximately eight hours after the accident, Maupin phoned NICHOLSON again.

13. Approximately ten minutes after receiving this call, NICHOLSON phoned Grange to reinstate Maupin's policy. She spoke to Mike Nelson.

14. During the course of their conversation, Nelson asked NICHOLSON if she had confirmed that there had not been any losses during the time the policy had lapsed. NICHOLSON stated that she had.

15. At the time she made this statement, NICHOLSON had not confirmed that there had not been any losses: in fact, she knew, or should have known, that there had been a loss.

16. NICHOLSON violated Idaho Code § 41-1016(1)(e) by misrepresenting a fact material to an insurance transaction, namely, that there had not been any losses to the F150 during the period that the policy was lapsed.

#### **PRAYER FOR RELIEF**

Based on the foregoing facts and allegations, the Department prays for relief as follows:

1. For an Order revoking CATHERINE KAYLEEN NICHOLSON's Idaho Resident Producer License No. 487243, and providing that NICHOLSON shall not be issued a new license under title 41, Idaho Code, for a period of five (5) years after which time, in the event NICHOLSON seeks a new license, NICHOLSON must petition and show good cause why the prior revocation should not be deemed a bar to the issuance of a new license; and

2. For an Order imposing an administrative penalty against NICHOLSON in the amount of One Thousand Dollars (\$1,000); and

3. For such other and further relief as the Director deems just and necessary under the circumstances.

#### **NOTIFICATION OF RIGHTS**

**TO: CATHERINE KAYLEEN NICHOLSON, the above-named RESPONDENT:**

Pursuant to Idaho Code § 41-232A, you have the right to a hearing on this matter. In order to exercise this right, a written request for a hearing must be filed and served upon the Department



within twenty-one (21) days after service of this Complaint. Failure to file and serve a written request for a hearing upon the Department within the 21-day time period shall be deemed a waiver of the opportunity for a hearing and to contest the allegations in the Complaint, pursuant to Idaho Code § 41-232A(2). If you fail to submit a timely written response to the allegations within 21 days of the service of this Complaint, a final order will be entered imposing the relief described above.

Any written request for a hearing shall be served on the Director of the Idaho Department of Insurance, addressed as follows:

Dean L. Cameron, Director  
Idaho Department of Insurance  
P.O. Box 83720  
Boise, ID 83720-0043

A copy shall also be provided to the Department's counsel in this matter at the following address:

Michael Witry  
Deputy Attorney General  
Idaho Department of Insurance  
P.O. Box 83720  
Boise, ID 83720-0043

In lieu of a hearing, this matter may be resolved by negotiation, stipulation, agreed settlement, or consent order, pursuant to Idaho Code § 67-5241(1)(c). Should you wish to discuss these options, please contact the undersigned deputy attorney general.

DATED this 17<sup>th</sup> day of September, 2020.

STATE OF IDAHO  
OFFICE OF THE ATTORNEY GENERAL



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MICHAEL WITRY  
Deputy Attorney General  
Attorneys for Idaho Department of Insurance


VERIFICATION

STATE OF IDAHO )  
 : ss.  
County of Ada )

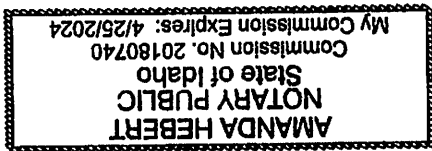
RANDALL M. PIPAL, Bureau Chief of the Consumer Services Bureau of the Department of Insurance, State of Idaho, being first duly sworn, deposes and says:


I have read the foregoing Verified Complaint and Notice of Right to Hearing and know the contents thereof and the same are true to the best of my knowledge and belief.

Dated this 17<sup>th</sup> day of September 2020.

  
RANDALL M. PIPAL  
Bureau Chief  
Consumer Services

SUBSCRIBED AND SWORN to before me the undersigned Notary Public of Idaho this 17 day of Sept. 2020.



  
Notary Public for Idaho  
My Commission Expires 4-25-2024

**CERTIFICATE OF SERVICE**

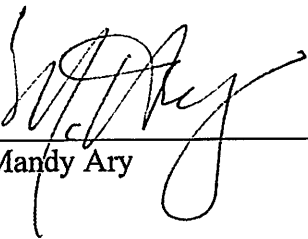
I HEREBY CERTIFY that on this 18<sup>th</sup> day of September, 2020, I caused a true and correct copy of the foregoing VERIFIED COMPLAINT AND NOTICE OF RIGHT TO HEARING to be served upon the following by the designated means:

Catherine Kayleen Nicholson  
1065 Pennwood Street  
Meridian, ID 83642

- first class mail
- certified mail
- hand delivery
- via facsimile

Catherine Kayleen Nicholson  
86 N. Center Street  
Star, ID 83669

- first class mail
- certified mail
- hand delivery
- via facsimile

  
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Mandy Ary