

BEFORE THE IOWA INSURANCE COMMISSIONER

IN THE MATTER OF)	
)	Division Case No. 112826
)	
PRENISCIA NICHOLSON,)	DEFAULT ORDER, FINDINGS OF
NPN 19331428,)	FACT, CONCLUSIONS OF LAW
DOB 6/12/XXXX,)	AND ORDER
)	
Respondent)	

The hearing officer has taken up for consideration the Division’s Motion for Default Order, filed by Ms. Johanna Nagel as the attorney representing the Iowa Insurance Division (“Division”). The Respondent, Prenischia Nicholson (“Nicholson”), did not file an answer to the statement of charges or provide a timely response to the Division’s motion for default. Therefore, the motion for default was sustained and the Commissioner entered judgment in favor of the Division and against Nicholson in an interlocutory order of default on July 12, 2022.

At the hearing on monetary relief on July 28, 2022, Johanna Nagel appeared on behalf of the Division. Nicholson did not appear.

NOW THEREFORE, Douglas M. Ommen, Iowa Insurance Commissioner, being fully informed of the matter, issues the following default order, findings of facts, conclusions of law, and orders:

I. PARTIES AND JURISDICTION

1. The Commissioner of Insurance, Douglas M. Ommen, directly and through his designees, administers and enforces Iowa Code chapter 522B—Licensing of Insurance Producers pursuant to Iowa Code § 505.8.
2. Prenischia Nicholson is an individual with a last-known residence and mailing address of 3818 W Maypole, Apt 1, Chicago, Illinois 60624.

3. Nicholson is and has been licensed in the state of Iowa as a nonresident insurance producer since November 11, 2019. She is licensed under National Producer Number 19331428.

4. Pursuant to Iowa Code § 505.28, Nicholson consented to the jurisdiction of the Commissioner of Insurance by committing acts governed by chapter 522B.

5. From on or about December 2021 to present, Nicholson engaged in acts and practices within the state of Iowa constituting cause for probation, suspension, or revocation of her insurance producer license; cease and desist orders; and civil penalties or other relief under Iowa Code chapters 505, 507B, 522B, and rules adopted pursuant to these chapters.

II. FINDINGS OF FACT

6. The Division's motion for default has been sustained, Nicholson is in default and all of the Division's allegations in its statement of charges have been deemed admitted.

7. Nicholson applied for a nonresident insurance producer with the Division by submitting through the National Insurance Producer Registry a Uniform Application for Individual Producer License. In submitting the Uniform Application, Nicholson designated the Commissioner as an agent for service of process.

8. The Division issued Nicholson a license as a nonresident insurance producer on November 11, 2019, and assigned to her National Producer Number 19331428.

Division's Communication Attempts with Nicholson

9. On December 3, 2021, after receiving Golden Rule's notice of Nicholson's termination for cause, a Division investigator emailed a request for information ("RFI") to Nicholson using an email address found from a public records search (prenishia@icloud.com). That same day, the @icloud email was returned as undeliverable and the Division investigator emailed the RFI to two

additional email addresses found from a public records search (jimford1968@gmail.com and prenischia_nicholson@yahoo.com). Neither of these emails were returned as undeliverable.

10. The December 3, 2021, RFI contained a response deadline of 15 days. Nicholson did not provide a response to the RFIs or contact the Division.

11. On January 27, 2022, the Division investigator sent a RFI to Nicholson by certified mail at the residence and mailing address provided by Nicholson and noted in her licensing file.

12. The certified mail was successfully delivered to Nicholson's address on February 3, 2022.

13. The January 27, 2022, RFI contained a response deadline of February 14, 2022. Nicholson did not provide a response to the RFI or contact the Division.

14. The Division's investigator sent RFIs to Nicholson, dated December 3, 2021 and January 27, 2022, requesting a response to the notice of termination for cause received by the Division.

15. Nicholson failed to provide a response to the December 3, 2021, RFI emailed to her.

16. Nicholson failed to provide a response to the January 27, 2022, RFI mailed to her.

17. Nicholson did not contact the Division investigator in any manner regarding the Division's RFI, or otherwise.

Respondent's Default

18. The Division filed a statement of charges against Nicholson on May 24, 2022, alleging violations of law and grounds for license discipline under Iowa Code chapter 522B.

19. Pursuant to Nicholson's consent to service of process, the Commissioner was served with the statement of charges on May 24, 2022. A notice of hearing was issued by the Commissioner on May 25, 2022.

20. In accordance with Iowa Administrative Code rule 191—3.5, the statement of charges and notice of hearing were mailed by restricted, certified mail to the last-known residence and mailing address provided by Nicholson and noted in her licensing record.
21. The notice of hearing and statement of charges sent by restricted, certified mail to Nicholson's residence and mailing address of record was successfully delivered on May 28, 2022.
22. Under Nicholson's consent to service of process and mailing of the notice of hearing and statement of charges by restricted, certified mail, delivery was accomplished and Nicholson was properly served as required by Iowa Administrative Code rule 191—3.5(1).
23. As of the date of this motion, Nicholson has not filed an answer to the statement of charges as required by Iowa Administrative Code rule 191—3.5(3).
24. Nicholson has not requested, nor has the Division consented to, Nicholson filing her answer beyond the 20 days of the service of the notice of hearing and statement of charges.
25. The presiding officer may enter a default decision if a party fails to appear or participate in a contested case proceeding pursuant to Iowa Administrative Code rule 191—3.22(1).
26. Nicholson has failed to participate in the contested case proceeding.
27. The Division filed a motion for default order on June 15, 2022.
28. The motion for default order was sent via first class mail to Nicholson's last-known mailing address of 3818 W Maypole, Apt 1 Chicago, Illinois 60624.
29. Nicholson failed to respond to the Division's motion for default order within ten days as required by Iowa Administrative Code rule 191—3.15(2).
30. Nicholson failed to participate in the contested case proceeding and remains in default.

III. CONCLUSIONS OF LAW

31. Under Iowa Code § 522B.11(1)(p), a license may be subject to probation, suspension, or revocation and civil penalties may be levied, as provided in Iowa Code § 522B.17, for failing or refusing to cooperate in an investigation.

32. Nicholson failed to cooperate with an investigation by the Division regarding her notice of termination for cause.

33. Nicholson's acts and practices have been in violation of Iowa Code § 522B.11(1)(p) subjecting Nicholson to probation, suspension, or revocation of Nicholson's insurance producer license, the imposition of a civil penalty, an order requiring Nicholson to cease and desist from engaging in such acts or practices, the imposition of costs of the investigation and prosecution of the matter, and any other corrective action the Commissioner deems necessary and appropriate pursuant to Iowa Code §§ 522B.11, 522B.17 and 505.8.

34. Penalties for violations of Iowa Code § 522B.11(1)(p) may be assessed pursuant to Iowa Code 507B. Iowa Code 507B.7(1)(a) permits an order to pay a civil penalty of up to \$1,000 per violation or a civil penalty up to \$5,000 per violation if the person knew or should have known that they were in violation of the law. Nicholson committed three violations of law.

35. The Division has proven that the investigation and prosecution costs were \$282.75.

36. A motion be considered unresisted if no response is timely filed. Iowa Administrative Code rule 191-3.15(2). Nicholson has not filed a timely written response to the Division's motion for default order. The motion is therefore considered unresisted.

37. A party to a contested case action may move for default against a part when the party fails to file a required pleading or has failed to appear after proper service. Iowa Administrative Code

rule 191-3.15(2). Nicholson has not filed an answer to the statement of charges and has not timely filed a response to the Division's motion for default order.

38. Under Nicholson's consent to service of process, Nicholson was properly served as required by Iowa Administrative Code rule 191-3.5(1).

39. Nicholson failed to respond to the Division's motion for default order with ten days as required by Iowa Administrative Code rule 191-3.15(2).

VI. ORDERS

IT IS HEREBY ORDERED that Prenischia Nicholson is in default pursuant to Iowa Administrative Code rule 191—3.22, and that judgment shall be entered against Nicholson in favor of the Division.

IT IS FURTHER ORDERED that:

- A. Nicholson's nonresident insurance producer license is immediately revoked pursuant to Iowa Code §§ 507B.7 and 522B.11;
- B. Nicholson is prohibited from selling, soliciting, or negotiating insurance and transaction any insurance business in this state pursuant to Iowa Code § 505.8(10) without a license;
- C. Nicholson shall, within 30-days of this Order, pay civil penalties in the amount of \$1,500, made payable to the Iowa Insurance Division, to be credited to the Iowa Enforcement Fund, to provide funds for insurance enforcement and education pursuant to Iowa Code §§ 505.8, 507B.7, 522B.11 and 522B.17;
- D. Nicholson shall, within 30-days of this Order, pay costs of investigation and prosecution in the amount of \$282.75, made payable to the Iowa Insurance Division, to be credited to the Iowa Enforcement Fund, to provide funds for insurance

enforcement and education pursuant to Iowa Code §§ 505.8, 507B.7, 522B.11 and 522B.17; and

E. These orders may be enforced under Iowa Code chapters 507B and 522B, including but not limited to, Iowa Code § 507B.8 and 522B.17(3), and additionally, by any collection remedies available to the State of Iowa Department of Revenue for unpaid penalties and other monetary amount.

SO ORDERED on this 16th day of February, 2023.



Douglas M. Ommen
Iowa Insurance Commissioner

Copy to:

Prenischia Nicholson
3818 W Maypole, Apt 1
Chicago, Illinois 60624
RESPONDENT

Johanna Nagel
Iowa Insurance Division
1963 Bell Avenue, Suite 100
Des Moines, Iowa 50315
ATTORNEY FOR THE DIVISION

CERTIFICATE OF SERVICE

The undersigned certifies that the foregoing instrument was served upon all parties to the above cause, or their attorney, at their respective addresses disclosed on the pleadings on February 20, 2023.

By: First Class Mail Personal Service
 Restricted certified mail, return receipt Email, by consent
 Certified mail, return receipt _____

Signature: Brooke Hohn
Brooke Hohn

NOTICE OF FINAL ORDER

A default decision becomes final agency action 15 days from the date of the decision was mailed unless a motion to vacate the default decision is filed within that time period. 191 IAC 3.22(3). A motion to vacate must state all the facts upon which the moving party relies to establish good cause for failure to appear or participate at the contested case proceeding. Each fact must be substantiated by at least one affidavit by a person with personal knowledge of the fact, and the affidavit must be attached to the motion.

NOTICE OF PENALTIES FOR WILLFUL VIOLATION OF THIS ORDER

YOU ARE NOTIFIED that acting as an insurance producer, as defined in Iowa Code Chapter 522B, in violation of this Order, is a felony under Iowa Code § 507 A. 10, subjecting you to punishment of imprisonment, jail, fines, or any combination of custody and fines.

YOU ARE ALSO NOTIFIED that if you violate this Order, you may be subject to administrative and civil penalties pursuant to Iowa Code § 522B. 17(3). The Commissioner may petition the district court to hold a hearing to enforce the order as certified by the Commissioner. The district court may assess a civil penalty against you in an amount not less than three thousand dollars but not greater than ten thousand dollars for each violation, and may issue further orders as it deems appropriate.

NOTICE REGARDING REISSUANCE

When this Order becomes final, your insurance producer license will become inactive due to revocation. While your license is inactive, you are prohibited from conducting the business of insurance. Your license will not be active until the Division makes the determination to reissue your insurance producer license by order pursuant to Iowa Administrative Code 191-10.10.

Reissuance of your insurance producer license is subject to the discretion of the Commissioner. Additionally, it will not be granted unless and until you have complied with the terms of this Order, made the appropriate Application for Reissuance with the Division, and paid all applicable fees. If applicable, you may also be required to apply for licensure through the National Insurance Producer Registry (NIPR) and pay all applicable fees.

NOTICE OF FINAL ORDER IMPACT

A final order of license probation, suspension, or revocation or a cease and desist order may adversely affect other existing business or professional licenses and may result in license revocation or disciplinary action.

A final order in an administrative action does not resolve any potential criminal or civil violations or causes of action that might arise from the same or similar conduct that is the subject of this order. It may result in criminal law enforcement authorities, including the fraud bureau of the Iowa Insurance Division, pursuing a criminal investigation or prosecution of potential criminal law violations.