
BEFORE THE UTAH INSURANCE COMMISSIONER

UTAH INSURANCE DEPARTMENT,

Complainant,

vs.

CHARLETTE EASTMAN,

Respondent.

NOTICE OF AGENCY ACTION AND
ORDER

Docket No. 2018-4040

Lisa Watts Baskin
Presiding Officer

NOTICE OF AGENCY ACTION

The Utah Insurance Department (“the Department”) commences this agency action against Respondent Charlette Eastman (“Respondent”) pursuant to Utah Code §§ 31A-2-201 and 63G-4-201 through 63G-4-203 and to Utah Admin. Code R590-160.

This agency action is based on the facts and law set forth in the attached Declaration and is designated as an informal adjudicative proceeding pursuant to Utah Code § 63G-4-202(1) and Utah Admin Code R590-160-4 and R590-160-7.

ORDER

Based on the facts and the law set forth in the attached Declaration, and good cause appearing, the Utah Insurance Commissioner orders as follows:

1. Respondent’s application for an individual insurance license is denied.
2. Pursuant to Utah Code § 63G-4-203(1)(i) and Utah Admin. Code R590-160-7(1), this informal adjudicative proceeding shall be deemed closed, and this Order shall become final and take full effect, 15 days after this Notice of Agency Action and Order is electronically mailed to


Respondent unless a request for a hearing on this matter is received from Respondent prior to that date.

3. A request for a hearing shall be sent by email to uidadmincases@utah.gov or by U.S. mail to Office of the Administrative Law Judge, Utah Insurance Department, 3110 State Office Building, Salt Lake City, UT 84114. The request for hearing shall be signed by the person making the request and shall state the basis for the relief requested.

4. If you fail to request a hearing you will be bound by this Order. Failure to request a hearing will be deemed a failure to exhaust administrative remedies and will preclude any further administrative or judicial review or appeal of this matter.

DATED this 14th day of September, 2018.

TODD E. KISER
Utah Insurance Commissioner



LISA WATTS BASKIN
Presiding Officer
Utah Insurance Department
3110 State Office Building
Salt Lake City, UT 84114
801-538-3800
uidadmincases@utah.gov

NOTICE REGARDING ENFORCEMENT OF THE ORDER

Failure to obey the Order may subject you to further penalties that include forfeitures of up to \$2,500 per violation, license suspension or revocation, further enforcement action before the Utah District Court where forfeitures of up to \$10,000 may be imposed. If you are licensed in other jurisdictions, you may be required to report this proceeding to those jurisdictions.

DECLARATION

Under criminal penalty of Utah law, I, Randy Overstreet, declare the following:

1. I am currently employed as Director of the Producer Licensing Division with the Utah Insurance Department where my responsibilities include investigating and enforcing Utah insurance laws.

2. I submit this Declaration as the basis for issuing the Notice of Agency Action and Order against Respondent Charlette Eastman (“Respondent”) to which this Declaration is attached.

3. Based on my personal knowledge and/or based on the facts appearing in the Department’s records and files, the following facts are true:

a. On or about March 15, 2017, a Stipulation & Consent Order was issued by the Utah Real Estate Commission and the Utah Division of Real Estate resulting in the revocation of Respondent’s Real Estate Associate Broker license in Utah as of the date of the Order, and for a five (5) year period thereafter.

b. In the above Stipulation & Consent Order document, Respondent admitted to certain facts, including the facts that Respondent regularly commingled personal and/or business funds with client earnest money in Respondent’s business trust account, and that on at least 30 occasions, Respondent failed to secure client trust funds in Respondent’s business trust account, but instead deposited the earnest money from the clients into Respondent’s business operating account, where the earnest money was commingled and used to pay business and/or personal expenses.

c. In the above Stipulation & Consent Order document, Respondent was found to be unworthy or incompetent to act as a principal broker, associate broker, or sales agent in such manner as to safeguard the interests of the public.

c. On September 6, 2018, the Department electronically received from Respondent an online application for a resident producer individual insurance license.

4. The above declared facts demonstrate that the following Utah insurance law(s) were not complied with:

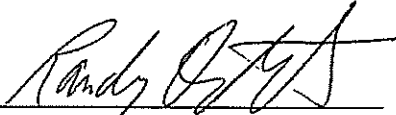
a. Utah Code Ann. § 31A-23a-111(5)(b)(xvii) – has had an insurance license or other professional or occupational license or its equivalent denied, suspended, revoked, or surrendered to resolve an administrative action.

a. Utah Code Ann. § 31A-23a-111(5)(b)(xvi) – in the conduct of business in this state or elsewhere, used fraudulent, coercive, or dishonest practices, or demonstrated incompetence, untrustworthiness, or financial irresponsibility.

a. Utah Code Ann. § 31A-23a-111(5)(b)(xxiv) – engaged in a method or practice in the conduct of business that endangered the legitimate interests of customers and the public.

5. Based on the facts and law set forth above Respondent's application for an individual insurance license should be denied.

DATED this 12th day of September, 2018.



Randy Overstreet, Director
Producer Licensing Division
Utah Insurance Department