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BEFORE THE UTAH INSURANCE COMMISSIONER

UTAH INSURANCE DEPARTMENT, Complainant, vs. FREDRICK M. RANDHAHN, Respondent.	NOTICE OF AGENCY ACTION AND ORDER Docket No. 2021-4313 Curtis L. Garner Presiding Officer
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NOTICE OF AGENCY ACTION

The Utah Insurance Department (“the Department”) commences this agency action as an informal adjudicative proceeding against Fredrick M. Randhahn (“Respondent”) pursuant to Utah Code §§ 31A-2-201 and 63G-4-201 through -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 -8.

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 shall forfeit to the Department the amount of \$1,000.00. The forfeiture shall be paid in monthly installments of \$250.00 per month, with the first payment due within 30 days of the date this order becomes final.

2. Pursuant to Utah Code § 63G-4-203(1)(i) and Utah Admin. Code R590-160-8(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 emailed 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 in writing and 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 9th day of March, 2021.

JONATHAN T. PIKE
Utah Insurance Commissioner



CURTIS L. GARNER
Presiding Officer
Utah Insurance Department
3110 State Office Building
Salt Lake City, UT 84114
801-538-3860
Email: uidadmincases@utah.gov

NOTICE REGARDING ENFORCEMENT OF THE ORDER

Failure to obey this Order may subject you to further penalties that include a forfeiture of up to \$2,500 per violation, with each day of the violation constituting a separate violation. Other penalties for failing to obey this Order may include license suspension, probation, refusal to renew, or revocation. Failure to obey this Order may also result in an action taken against you in a court of competent jurisdiction where forfeitures of up to \$10,000 for each day the failure to comply continues until judgment is rendered. If you are licensed in other jurisdictions, you may be required to report this proceeding in those jurisdictions.

DECLARATION

Under criminal penalty of Utah law, I, Connie Nowland, declare the following:

1. I am currently employed as a Market Conduct Examiner with the Utah Insurance Department (“Department”) where my responsibilities include investigating and enforcing Utah insurance laws.

2. I submit this Declaration as the basis for issuing the Notice of Informal Adjudicative Proceeding and Order against Fredrick M. Randhahn (“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. Respondent is an individual resident producer licensed to do insurance business in Utah. Respondent’s Utah license number is 124110.

b. Respondent also holds a securities license, CRD 1338801, but is not currently registered with an investment firm.

b. On November 14, 2019, Respondent’s securities license was suspended for nine months by the Financial Industry Regulatory Authority (FINRA) in case #2018059663501. A fine of \$5,000 and disgorgement of commissions received was also imposed.

c. Respondent did not report the FINRA action to the Department within 30 days of the final disposition of the administrative action as required by Utah Code § 31A-23a-105(2)(b)(i).

d. The Department sent letters to Respondent on March 26, 2020 and April 7, 2020, regarding his failure to disclose the FINRA action. Respondent did not answer either letter or return a phone call from the Department on April 7, 2020.

e. Respondent did not report the FINRA action to the Department until January 26, 2021, when he tried to renew his insurance license.

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

a. Respondent violated Utah Code § 31A-23a-105(2)(b)(i) when he failed to report the November 14, 2019 FINRA case within 30 days of the final disposition of the administrative action.

b. Respondent violated Utah Code § 31A-2-202(4)(a) when he failed to respond to two emailed requests for information and a phone call from the Department.

5. Based on Utah Code § 31A-2-308 and other similar enforcement cases, the proper forfeiture for the violations should be \$1,000.00.

DATED this 8th day of March, 2021, at Salt Lake City, Salt Lake County, Utah.

/s/ Connie Nowland
Connie Nowland, Market Conduct Examiner
Utah Insurance Department