



STATE OF CONNECTICUT
INSURANCE DEPARTMENT

-----X
IN THE MATTER OF:
JAMES CRELAN
Respondent
Docket No. FC 20-41
-----X

ORDER FOR DEFAULT JUDGMENT AND ORDER OF REVOCATION

The Insurance Commissioner, hereinafter referred to as Commissioner, is charged with the administration and enforcement of the insurance laws and regulations that pertain to licensees of the Insurance Department pursuant to Connecticut General Statutes Section 38a-8.

Section 38a-774 of the Connecticut General Statutes provides in part that:

The commissioner, after reasonable notice to and hearing of any holder of a license issued by the commissioner, may suspend or revoke the license for cause shown. In addition to or in lieu of suspension or revocation, the commissioner may impose a fine not to exceed five thousand dollars.

The Commissioner has conducted an investigation of the activities of the above captioned Respondent and as a result of that investigation issued a Complaint dated April 14, 2020, a copy of which is attached hereto as Exhibit A, alleging cause to suspend or revoke licenses issued by the Commissioner, or in addition to or in lieu thereof impose a fine.

Section 38a-8-61 of the Regulations of Connecticut State Agencies provides that:

The respondent in any enforcement proceeding shall file an answer with the Commissioner within twenty (20) days of service of the notice of hearing specifically admitting or denying the allegations or charges set out in the notice. Factual allegations not specifically denied shall be deemed to be admitted.

Section 38a-8-62 of the Regulations of Connecticut State Agencies provides that:

In any proceeding when the Respondent fails to file an answer as required by Section 38a-8-61 of these Regulations or fails to appear at a duly noticed hearing, the Commissioner may, in his discretion, note such failure upon the record and render a decision by default.

IN ACCORDANCE WITH THE FOREGOING:

I FIND, in light of the foregoing, that a Complaint and Notice of Hearing was sent on or about April 29, 2020 to the Respondent, by regular first-class mail and by certified mail, Number 9214 8901 9403 8311 4591 86, with the proper postage at the following address:

James Creelan
82 Pratt St.
Bristol, CT 06010

Evidence of mailing of Certified Mail, Article Number 9214 8901 9403 8311 4591 86, sent to Respondent at 82 Pratt St., Bristol, CT 06010 on April 29, 2020 is attached as Exhibit B. Certified Mail, Article Numbers 9214 8901 9403 8311 4591 86, was delivered to the Respondent on May 1, 2020, see Exhibit C. The Complaint and Notice of Hearing sent by first-class mail to the Respondent was not returned to the Department.

As of this date, the Department has not received any answer to the Complaint from the Respondent.

The address stated above is the address filed with this Department by the Respondent, who is required by law to report any change of address within thirty days. From the date of this order, the Complaint and Notice of Hearing was mailed to the Respondent 83 days ago. Accordingly, I find that the Respondent received service and reasonable notice of the Complaint in accordance with the Regulations of Connecticut State Agencies, Sections 38a-8-18 and 38a-8-59 et seq.

I FURTHER FIND that the Respondent did not file an answer within the time period required in accordance with the Regulations of Connecticut State Agencies, Section 38a-8-61, nor did he appear at the scheduled hearing. Accordingly, all of the allegations as set forth in the Complaint, attached hereto, are hereby deemed admitted.

IT IS HEREBY ORDERED, in accordance with the above findings and pursuant to Section 38a-8-61 of the Regulations of Connecticut State Agencies, that:

1. A decision by default enters against the Respondent, James Creelan.
2. That all licenses issued to the Respondent pursuant to Sections 38a-702f and 38a-769 of the Connecticut General Statutes, are hereby revoked and the Hearing originally scheduled for May 6, 2020 is cancelled.
3. That pursuant to Section 38a-8-63 of the Regulations of Connecticut State Agencies:

A respondent may move to reopen any decision rendered by default within sixty (60) days of the entry thereof. The motion shall be in writing and shall state the reasons for the failure of the respondent to answer or appear. If a default was entered for failure of the respondent to file an answer, the respondent shall submit said answer with the motion to reopen. If good cause appears for the failure of the respondent to answer or appear, the Commissioner may grant said motion and shall schedule the hearing at the earliest date convenient to the Commissioner.

So ordered this 22 day of July 2020



Andrew N. Mais
Insurance Commissioner



STATE OF CONNECTICUT
INSURANCE DEPARTMENT

CONNECTICUT INSURANCE DEPARTMENT
EXHIBIT A

IN THE MATTER OF)
)
JAMES CRELAN) DOCKET NO.: FC 20-41
)
Respondent)

COMPLAINT

The Insurance Commissioner of the State of Connecticut having reason to believe that James Crelan engaged in acts of conduct as set forth herein and which, if true, would violate Sections 38a-702k, 38a-712, 38a-769, 38a-771, 38a-815 and 38a-816 of the Connecticut General Statutes and would constitute cause under Sections 38a-702k, 38a-774 and 38a-817 of the Connecticut General Statutes for the revocation or suspension of licenses issued by the Insurance Department and/or the imposition of fines and other penalties, and it appearing to the Insurance Commissioner that a proceeding in respect thereof would be in the public interest, hereby issues this Complaint alleging the charges in that regard as follows:

COUNT I

- 1. James Crelan, hereinafter referred to as the Respondent, is licensed as a resident insurance producer, license number 002430525, by the State of Connecticut Insurance Department, hereinafter referred to as Department.
2. Respondent is an agency producer employed by the Crowley Agency, LLC ("Crowley Agency"), which is an agency associated with an automobile dealer that operates under a corporate agent appointment agreement with Farmers Insurance Company ("Farmers").
3. On March 18, 2019, a Connecticut resident, Ben Gyadu, made a \$149 cash payment to the Respondent at the Crowley Agency for his automobile insurance.
4. Although the Respondent provided Ben Gyadu with a receipt for his \$149 cash payment, such cash payment was never applied to his automobile insurance policy.
5. Instead of sending the cash received to the insurer, the Respondent initiated a Webster Bank ("Webster") electronic funds transfer (EFT) payment for \$149 and applied it to Ben Gyadu's policy, although Ben Gyadu does not have a Webster bank account.

6. The Webster EFT was returned unpaid because of an invalid Webster account number.
7. On March 22, 2019, having become aware that his automobile policy had been canceled for nonpayment of premium, Ben Gyadu confronted the Respondent about the reason for the cancelation.
8. The Respondent reinstated Ben Gyadu's policy by submitting a \$150 cash payment to Farmers and a \$545 Webster EFT payment that was later returned for an invalid Webster bank account number.
9. Upon being questioned on the transactions related to Be Gyadu, the Respondent stated that he was not sure why he entered the wrong bank information for Mr. Gyadu and that it may have been a mistake.
10. The Respondent also admitted to six other customer accounts where he had provided erroneous bank information on EFT payments.
11. In March, 2019, the above actions prompted Farmers to investigate the Crowley Agency for misappropriation and premium fraud.
12. The investigation found that, in addition to the Ben Gyadu's policy, the Crowley Agency had submitted EFT payments that were returned unpaid due to invalid bank account information for an estimated 60 households and \$5,244 in premium as a result of the Respondent providing invalid information on EFT payments owed to Farmers as initial or renewal premiums on insurance policies.
13. Once notified by Farmers of the Respondent's actions, the Crowley Agency terminated the Respondent's employment.
14. The conduct as described above, if true, is in violation of Sections 38a-702k and 38a-769 of the Connecticut General Statutes and constitutes cause pursuant to Sections 38a-702k and 38a-774 of the Connecticut General Statutes for the suspension or revocation of insurance licenses and/or for the imposition of fines.

COUNT II

1. Paragraph one of Count I is incorporated in and made paragraph one of this Count.
2. On or about February 7, 2020, the Department sent a letter to the Respondent requesting information concerning Respondent's handling of the transactions referenced in Count I.

3. The Department mailed the request letter by regular first-class mail and Certified Mail, Number 9214890194038305837709, to the Respondent's addresses then on file with the Department, 82 Pratt Street, Bristol, CT 06142.
4. The Respondent failed to comply with the Department's February 7, 2020 correspondence.
5. The conduct of Respondent, as set forth in paragraphs 1 through 3 of this Count, is in violation of Sections 38a-16 and 38a-769 of the Connecticut General Statutes, and constitutes cause for the revocation or suspension of Respondent's licenses and/or the imposition of fines pursuant to Section 38a-774.

NOTICE

Notice is hereby given to you, James Crehan, Respondent herein, that May 6, 2020, at 10:00 am is hereby fixed as the time where a public hearing will be held in the offices of the Insurance Department, 153 Market Street ("960 Main" Building), 7th Floor, Hartford, Connecticut on the charges set forth in this Complaint, at which time and place you will have the right to appear before the undersigned, or a duly designated hearing officer, to show cause why your license(s) should not be suspended or revoked and/or why fine(s) should not be imposed.

The legal authority and jurisdiction for the hearing in this matter are contained in Section 38a-769, 38a-774, 38a-817, 4-177, 4-182 and 4-183 of the Connecticut General Statutes.

Pursuant to Section 38a-8-61 of the Regulations of Connecticut State Agencies, you are required to file an answer within the Insurance Department within twenty (20) days of service of this Amended Complaint specifically admitting or denying the allegations or charges set out in the Amended Complaint. Factual allegations not specifically denied shall be deemed to be admitted.

Failure to file said answer as required by Section 38a-8-61, R.C.S.A., or failure to appear at the time and place fixed for the hearing will permit the Commissioner, at her discretion, to note such failure upon the record and render a decision by default.

If you desire to waive hearing on the allegations of fact set forth in the Complaint and not contest the facts alleged, please file with the Insurance Department an answer to this complaint on or before the twentieth (20th) day after service of it upon you, consisting of a statement that you as Respondent in this matter admit all of the material allegations of fact charged in the Complaint to be true.

The Insurance Department does not discriminate on the basis of disability in admission to, access to, or operation of its programs, services or activities, in accordance with Title II of the Americans with Disabilities Act of 1990. Individuals who require auxiliary aids for effective communication or other accommodation are invited to make their needs and preferences known to Patricia Tiberio, ADA Coordinator, at the Insurance Department (Tel: 860.297.3800).

All correspondence concerning this matter should be sent to the Insurance Department, State of Connecticut, P.O. Box 816, Hartford, CT 06142-0816.

Dated at Hartford, Connecticut this 14th day of April, 2020.

Andrew N. Mais
Insurance Commissioner

By 
Antonio Caporale
Counsel

PROOF OF ACCEPTANCE
(ELECTRONIC)

PRODUCED DATE: 04/29/2020

STATE OF CONNECTICUT DEPARTMENT OF INSURANCE:

The following is information for Certified Mail™/RRE item number:

9214 8901 9403 8311 4591 86

Our records indicate that this item was accepted by the USPS at:

ORIGIN ACCEPTANCE HARTFORD,CT 06142 04/28/2020

ORIGINAL INTENDED RECIPIENT:

JAMES CRELAN
82 PRATT ST
BRISTOL CT 06010-6256

Department: Fraud

CONNECTICUT INSURANCE
DEPARTMENT
EXHIBIT B



CONNECTICUT INSURANCE
DEPARTMENT

EXHIBIT

C

Mailer: State of Connecticut Department of Insurance

Date Produced: 05/04/2020

ConnectSuite Inc.:

The following is the delivery information for Certified Mail™/RRE item number 9214 8901 9403 8311 4591 86. Our records indicate that this item was delivered on 05/01/2020 at 02:15 p.m. in BRISTOL, CT 06010. The scanned image of the recipient information is provided below.

Signature of Recipient :
(Authorized Agent)

JC RT57
JC RT57

Address of Recipient :

82 P. H A

Thank you for selecting the Postal Service for your mailing needs. If you require additional assistance, please contact your local post office or Postal Service representative.

Sincerely,
United States Postal Service

The customer reference number shown below is not validated or endorsed by the United States Postal Service. It is solely for customer use.

This USPS proof of delivery is linked to the customers mail piece information on file as shown below:

JAMES CRELAN
82 PRATT ST
BRISTOL CT 06010-6256

Customer Reference Number: C2041288.11633530