

BEFORE THE DIVISION OF INSURANCE
DEPARTMENT OF LABOR AND REGULATION
STATE OF SOUTH DAKOTA

IN THE MATTER OF
AGENTRA, LLC AND
DAVID LINDSEY

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CONSENT ORDER

In resolution of the above matter and in lieu of issuance of a Notice of Hearing and a formal hearing, the undersigned parties do hereby agree to the following:

AGENTRA, LLC, a business entity with an address of record of 4201 Spring Valley Road, Suite 1500, Dallas Texas 75244, which has a business entity license to transact insurance business in the State of South Dakota;

DAVID LINDSEY, with an address of record of 4201 Spring Valley Road, STE 1500, Farmers Branch, TX 75244-3669, holds a nonresident insurance producer's license to transact insurance business in the State of South Dakota and who is the owner and designated responsible producer of AGENTRA, LLC;

DAVID LINDSEY formerly owned several other entities during the time period under the Division's review, notably Association Health Care Management, Inc. and American Workers Ins. Services, Inc. (AWIS), which DAVID LINDSEY sold in January 2019;

AGENTRA, LLC and DAVID LINDSEY ("RESPONDENTS") are aware that the South Dakota Division of Insurance ("Division") has investigated its insurance-related activities;

The Division alleges the following with regard to the RESPONDENTS:

- 1) The RESPONDENTS, with various organizations under DAVID LINDSEY's ownership, control, or responsibility, allowed or condoned the following:
 - A. Sales, solicitation, and negotiation of insurance products without appointment of certain producers, in violation of SDCL §§ 58-30-172 and 58-30-176;
 - B. Complaints of misrepresentation of health insurance products to consumers, in violation of SDCL § 58-33-6;
 - C. Sales of products written by unlicensed insurers, in violation of SDCL § 58-1-5;
 - D. Membership sales in a Multiple Employer Welfare Arrangement (MEWA), subject to final determination by the U.S. Dept. of Labor, in violation of SDCL §§ 58-8-1, 58-8-3, 58-33-94, 58-33-96, 58-33-98, 58-33-99, and 58-33-102;
 - E. Sales, solicitation, and negotiation of group insurance products through unapproved association plans specifically disapproved by the Division, in violation of SDCL §§ 58-11-12, 58-18-3, 58-18-4, 58-30-143, and ARSD Ch. 20:06:42;

F. Improper exporting of a group health policy through surplus lines, in violation of SDCL §§ 58-32-4, 58-32-17, and 58-32-18; and

G. Failure to timely respond to the Division, in violation of SDCL § 58-33-66;

2) The RESPONDENTS are jointly and severally responsible for the conduct listed above;

3) Any one of the above-cited acts constitutes grounds for the revocation of the RESPONDENTS' licenses pursuant to SDCL § 58-30-167(2), (5), (7), (8), and (12);

The RESPONDENTS have represented that they no longer sell the products which led to the Division's investigation, ceased enrollments upon gaining knowledge of the issues, and have taken the steps necessary to assure compliance;

By the execution of this Consent Order and the payment of a penalty pursuant to this Consent Order, the RESPONDENTS neither admit to nor deny any violations of the laws of the State of South Dakota, but waive the right to contest the allegations contained in this Consent Order;

The RESPONDENTS are aware of and understands the nature of the charges and have been informed that they have the right to notice, hearings, and appeal, and that by agreeing to and signing this Consent Order waive these rights;

In return for the RESPONDENTS agreeing to the provisions of this Consent Order, the Division agrees not to proceed to administrative hearings and agrees that this Consent Order will constitute an informal disposition of these licensing matters pursuant to SDCL § 1-26-20;

The RESPONDENTS agree to a monetary penalty in the amount of \$45,000, for which they are jointly and severally liable, pursuant to SDCL §§ 58-4-28.1 and 58-30-167, in lieu of contesting this matter formally; and

The RESPONDENTS further agree to conduct themselves in accordance with the insurance laws and regulations of the State of South Dakota;

The RESPONDENTS further agree that this Consent Order may be considered for the purpose of determining the appropriate sanction in any future actions with the Division for any violations of the laws or regulations of the State of South Dakota or for failing to abide by any order of the Director;

Wherefore, good cause appearing from the foregoing, it is hereby ORDERED that the RESPONDENTS pay a monetary penalty in the amount of \$45,000 payable to "South Dakota Division of Insurance" for deposit in the general fund of the State of South Dakota; and it is further

ORDERED that the RESPONDENTS abide by the agreements made by them in this Consent Order; and it is further

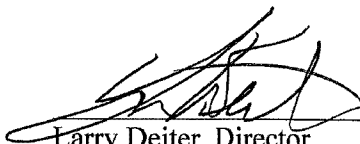
ORDERED that should the RESPONDENTS fail to comply with the provisions of this Order, the Division may seek the suspension or revocation of the RESPONDENTS' licenses at hearing pursuant to SDCL § 58-30-167 and Chapter 1-26, or seek other remedies available at law; and it is further

ORDERED that the use of this Consent Order for competitive purposes by an insurance agent or third-party administrator holding a license in the State of South Dakota, or by any company holding a

Certificate of Authority, or by anyone on their behalf, may be deemed unfair competition and be grounds for suspension or revocation of said license or authority; and it is further

ORDERED that the provisions of this Consent Order shall be effective from the date the Director signs this Order.


Dated at Pierre, South Dakota this 17th day of June, 2020.



Larry Deiter, Director
South Dakota Division of Insurance

The undersigned, on behalf of AGENTRA, LLC, represents it understands the terms of this Consent Order and the waiver of its due process rights and voluntarily enters into this Consent Order.

Dated this 12 day of June, 2020.



Signature of Authorized Representative

David Lindsey

Printed Name

CEO

Title