



February 20, 2024

SENT VIA CERTIFIED MAIL AND FIRST-CLASS MAIL

Drex, Inc.
2700 N Central Ave, Suite 1110
Phoenix, AZ 85004

RE: Application Denial for TPA Registration

To whom it may concern,

This letter is to notify you that your company's application for registration as a Third-Party Administrator ("TPA") in South Dakota has been denied. The reason for the denial is as follows:

Drex, Inc. submitted a TPA application to the South Dakota Division of Insurance ("Division") on September 8, 2023. Several of the required documents were missing from the application.

Due to this discrepancy, on September 18, 2023, the Division wrote to Drex, Inc., via email, asking for an explanation on why the application was incomplete and requested the additional missing documents. As no response was received, on October 30, 2023, the Division sent Drex, Inc. a cite letter via certified mail, advising them that they had violated the South Dakota Insurance code by not responding within 20 days, and again asking for an explanation on why the application was incomplete and requested the additional missing documents. As no response was received, on December 15, 2023, the Division attempted to call your company, but no one answered the call and a voicemail could not be left. As of the date of this letter, the Division has had no contact with Drex, Inc.

Based on the above information, your company's TPA registration application is denied based upon SDCL §§ 58-29D-22, 58-29D-31, 58-30-167(1), (2) & (8), and 58-33-66, for failing to provide all the required documentation with the application; violating any lawful rule or order of the director or any provision of the insurance laws of this state; using fraudulent, coercive, or dishonest practices, or demonstrating incompetence, untrustworthiness, or financial irresponsibility in the conduct of business in this state or elsewhere; failing to respond to an



inquiry from or failing to supply documents requested by the Division within twenty days of receipt of such inquiry or request.

Please note that this denial is considered an administrative action which will be reported to the database maintained by the National Association of Insurance Commissioners. If an administrative action occurs, an insurance producer may be required to report the action to any and all states in which an insurance license is held and in accordance with the timeframes and requirements of each state.

You may make a written request to the Division of Insurance within thirty (30) days of the date of this denial for a hearing to determine the reasonableness of this decision to deny your application for licensure.

Sincerely,

Tony Dorschner
Assistant Director
South Dakota Division of Insurance
Department of Labor and Regulation

CC: LICENSING@AMPS.COM