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

IN THE MATTER OF
GALLAGHER BASSETT SERVICES INC.

) ) 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:

GALLAGHER BASSETT SERVICES, INC. ("GALLAGHER"), whose address of record is Two Pierce Place, State Compliance, Itasca, IL 60143, is a third-party administrator ("TPA") in the State of South Dakota holding a TPA Registration;

GALLAGHER is aware that the South Dakota Division of Insurance ("Division") has conducted an investigation of its insurance-related activities in South Dakota;

The Division has alleged the following:

1) GALLAGHER failed to report a November 7, 2012 Maine administrative action to the Division within 30 days in violation of SDCL § 58-29D-28 and 58-29D-31(4);

2) GALLAGHER has been warned previously by the Division to report administrative actions;

3) The above-cited conduct may be grounds for the revocation or suspension of GALLAGHER’s TPA Registration pursuant to SDCL § 58-29D-31(4);

GALLAGHER is aware of and understands the nature of the charges and has been informed that it has the right to notice, hearing, and appeal, and that by agreeing to and signing this Consent Order waives these rights;

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

GALLAGHER agrees to a monetary penalty in the amount of $1,000 pursuant to SDCL §§ 58-4-28.1 and 58-29D-33, in lieu of contesting this matter formally; and

GALLAGHER further agrees to conduct itself in accordance with the insurance laws and regulations of the State of South Dakota; and

GALLAGHER further agrees 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 GALLAGHER pay a monetary penalty in the amount of $1,000 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 should GALLAGHER fail to comply with the provisions of this Order, the Division may seek the suspension or revocation of GALLAGHER’s TPA Registration at hearing pursuant to SDCL Ch. 58-29D, 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 3rd day of September, 2013.

Merle Scheiber, Director
South Dakota Division of Insurance

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

Dated this 30 day of August, 2013.

C. I. Miller
Signature of Authorized Representative

CARI I. MILLER
Printed Name
Associate Counsel
Title