

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

IN THE MATTER OF
FRANK A. PAVICH

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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:

FRANK A. PAVICH, whose address of record is 789 Main Street, Deadwood, SD 57732-1015, holds a resident insurance producer license in the State of South Dakota;

FRANK A. PAVICH is aware that the South Dakota Division of Insurance ("Division") has conducted an investigation;

The South Dakota Division of Insurance alleges the following with regard to FRANK A. PAVICH:

- 1) FRANK A. PAVICH signed an application for insurance solicited by Dean Johnson, who was not an appointed agent with an insurance company at the time of the application;
- 2) FRANK A. PAVICH, by signing an application not solicited by him, is in violation of SDCL §§ 58-30-167(2) and (8) and 58-33-37.
- 3) Pursuant to SDCL §§ 58-30-167(2) and (8) and 58-33-37, the Director of the South Dakota Division of Insurance may revoke or suspend FRANK A. PAVICH 's resident insurance producer license for the above-cited reason.

FRANK A. PAVICH is aware of and understands the nature of the allegations and has been informed that he has the right to a Notice of Hearing, counsel and appeal and that by agreeing to sign this Consent Order, waives these rights;

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

By the execution of this Consent Order and the payment of a penalty pursuant to this Consent Order, FRANK A. PAVICH waives his right to contest the allegations contained in this Consent Order in any future actions or licensing procedures with the Division;

FRANK A. PAVICH agrees to pay \$2,500, by the terms below, pursuant to SDCL §§ 58-30-167 and 58-4-28.1, in lieu of an administrative hearing and Final Decision;

FRANK A. PAVICH further agrees to conduct himself in accordance with the insurance laws and regulations of the State of South Dakota;

FRANK A. PAVICH 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;

FRANK A. PAVICH waives his right to contest the allegations contained in this Consent Order in any future actions or licensing procedures;

Wherefore, good cause appearing from the foregoing, it is hereby ORDERED that FRANK A. PAVICH pay a monetary penalty in the amount of \$2,500 payable to "South Dakota Division of Insurance" for deposit in the general fund of the State of South Dakota; and it is further

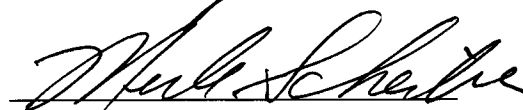
ORDERED that the \$2,500 monetary penalty shall be payable as follows: \$1,250 is due no later than 30 days from the effective date of this Consent Order and the last payment of \$1,250 is due no later than 60 days from the effective date of this Consent Order; and it is further

ORDERED that FRANK A. PAVICH abide by the agreements made by him in this Consent Order; 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

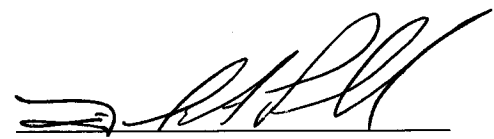
ORDERED that the provisions of this Consent Order shall be effective from the date the Director signs this Order.

Dated at Pierre, South Dakota this 27th day of February, 2013.


Merle Scheiber, Director
South Dakota Division of Insurance

I have read and understand the terms of this Consent Order and the waiver of my due process rights and voluntarily enter into this Consent Order.

Dated this 21 day of February, 2013.


Signature
Frank A. Pavich
Name (typed or printed)