

**SOUTH DAKOTA
DEPARTMENT OF LABOR AND REGULATION
DIVISION OF INSURANCE**

IN THE MATTER OF)
CASSANDRA OTT) **FINAL DECISION**
LICENSEE) **INS 14-24**

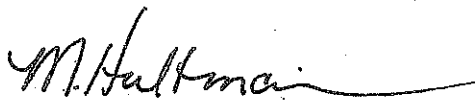
After reviewing the record and the proposed decision of the Hearing Examiner in this matter,

IT IS HEREBY ORDERED that pursuant to SDCL 1-26D-4, the Hearing Examiner's Proposed Findings of Fact, Conclusions of Law and Proposed Order, dated February 2, 2015 is adopted in full.

IT IS FURTHER ORDERED that the South Dakota Non-resident Insurance Producer License of Cassandra Ott will hereby be revoked.

Parties are hereby advised of the right to further appeal the final decision to Circuit Court within (30) days of receiving such decision, pursuant to the authority of SDCL 1-26.

Dated this 12th day of February 2015



Marcia Hultman, Secretary
South Dakota Department of Labor and Regulation
700 Governors Drive
Pierre, SD 57501

**STATE OF SOUTH DAKOTA
OFFICE OF HEARING EXAMINERS**

**IN THE MATTER OF
CASSANDRA OTT**

**PROPOSED DECISION
14-24**

V.

DIVISION OF INSURANCE

An administrative hearing was held in this matter on January 8, 2015. Petitioner, Cassandra Ott (Ott), did not appear or testify at the hearing. The Division of Insurance (Division) was represented by Benjamin Erickson. The Division had a witness, Matthew Ballard. Based on the evidence, the arguments of the parties, and the law, the Hearing Examiner enters the following Findings of Fact, Conclusions of Law, and Proposed Order.

ISSUES

Whether Ott failed to respond to Division inquiries?

Whether Ott failed to notify the Division of her change of address within 30 days?

Whether the Division may revoke Ott's license as an insurance producer?

FINDINGS OF FACT

I.

Ott was licensed by the division as an insurance Non-Resident Producer on February 7, 2014. Her license is currently active.

II.

Ott worked for Sutherland and Global services Incorporated starting on February 7, 2014. On February 26, 2014, Ott had appointments with Metropolitan Group Property & Casualty Insurance Company and Metropolitan Property & Casualty Insurance Company (Metropolitan).

III.

Ott's mailing address was listed as 2374 North Windsong Court, Apartment 204, Virginia Beach, Virginia 23455-1864.

IV.

On June 11, 2014, Metropolitan informed the Division that Ott had been terminated for cause on May 27, 2014. Ott allegedly failed to follow procedures when giving out insurance quotes.

V.

Ott did not report the termination to the Division.

VI.

On June 16, 2014, the Division sent a letter to Ott at her last known address, 2374 North Windsong Court, Apartment 204, Virginia Beach, Virginia 23455-1864. The Division wanted Ott to explain the events that led to the termination.

VII.

Ott did not respond to the Division's letter.

VIII.

The United States Postal Service (USPS) sent a card to the Division that indicated that Ott had a new address at 701 Emerald Lake Drive, Apartment 203, Virginia Beach, Virginia 23455-6333.

IX.

On July 17, 2014 the Division sent another inquiry to Ott and asked her to provide information on her failure to respond to the previous letter. The Division also asked her to update her mailing address. The letter was sent to both addresses in Virginia Beach, Virginia.

X.

Both letters were returned to the Division on July 29, 2014. The USPS indicated that the letters were "undeliverable as addressed" and "unable to forward".

XI.

The Division requested a hearing to revoke Ott's insurance producer license because she failed to respond to inquiries by the division and failed to notify the division of her change of address.

XII.

Any additional findings included in the Reasoning section of this decision are incorporated herein by this reference. To the extent any of the foregoing are improperly designated and are instead conclusions of law, they are hereby redesignated and incorporated herein as conclusions of law.

REASONING

The insurance law requires that a licensee shall inform the director in a form or format prescribed by the director of a change of address within thirty days of the change. SDCL 58-30-157. In this case, the USPS told the division that Ott had a new address at 701 Emerald Lake Drive, Apartment 203, Virginia Beach, Virginia 23455-6333.

However, Ott did not report this change of address to the Division. In fact, the Division was unable to contact Ott at her new or old address.

Additionally, Ott failed to respond to inquiries from the Division. SDCL 58-33-66(1) provides that unfair or deceptive acts or practices in the business of insurance include failing to respond to an inquiry from or failing to supply documents requested by the Division of Insurance within twenty days of receipt of such inquiry or request.

The evidence shows that Ott violated insurance laws by failing to respond to inquiries from the division and by failing to notify the Division of a change of address. SDCL 58-30-167 (2) & (8) provide that the director may suspend for not more than twelve months, or may revoke or refuse to continue, any license issued under this chapter, or any license of a surplus lines broker after a hearing. Notice of such hearing and of the charges against the licensee shall be given to the licensee and to the insurers represented by such licensee or to the appointing agent of a producer at least twenty days before the hearing. The director may suspend, revoke, or refuse to issue or renew an insurance producer's license or may accept a monetary penalty in accordance with § 58-4-28.1 or any combination thereof, for violating any insurance laws or rules, subpoena, or order of the director or of another state's insurance director, commissioner, or superintendent and using fraudulent, coercive, or dishonest practices, or demonstrating incompetence, untrustworthiness, or financial irresponsibility in the conduct of business in this state or elsewhere.

CONCLUSIONS OF LAW

I.

The Division has jurisdiction over Ott and the subject matter of this contested case. The Office of Hearing Examiners has authority to conduct the appeal pursuant to the provisions of SDCL 1-26D.

II.

Ott committed an unfair or deceptive act in the business of insurance by failing to respond to an inquiry from the Division within twenty days as required by SDCL 58-33-66(1).

III.

Ott violated the requirements of SDCL 58-30-157 by failing to advise the Division within thirty days of her change of address.

IV.

These violations of the statutes permit the Director of the Division of Insurance to revoke Ott's insurance producer license and/or impose other sanctions as set forth in SDCL 58-30-167.

V.

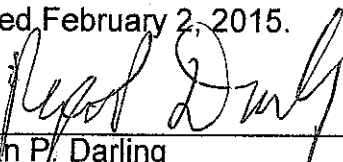
Any Conclusions of Law in the reasoning section of this decision are incorporated herein by reference. To the extent any of the foregoing are improperly designated and

are instead findings of fact, they are hereby redesignated and incorporated herein as findings of fact.

PROPOSED ORDER

It is the Proposed Order of the Hearing Examiner that the Non-Resident Producer license of Cassandra Ott be revoked.

Dated February 2, 2015.



Ryan P. Darling
Office of Hearing Examiners
523 East Capitol
Pierre SD 57522

CERTIFICATE OF SERVICE

I certify that on February 2, 2015, at Pierre, South Dakota, a true and correct copy of this Proposed Order was mailed to each of the parties listed below.



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