

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

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IN THE MATTER OF ) CONSENT ORDER  
EBSO, INC. )

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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:

EBSO, INC. ("EBSO"), whose address of record is 7020 N. Port Washington Rd., Suite 206, Glendale, WI 53217 holds a business entity license in the State of South Dakota. EBSO has also filed a TPA registration application in the state of South Dakota;

EBSO is aware that the South Dakota Division of Insurance ("Division") has conducted an investigation;

The South Dakota Division of Insurance alleges the following:

- 1) EBSO was previously held a valid TPA registration in South Dakota which expired on July 1, 2019;
- 2) EBSO continued to conduct TPA business in South Dakota after its TPA registration had lapsed
- 3) EBSO filed a TPA registration application with the Division on August, 2, 2019;
- 4) EBSO failed to answer all the required questions on the TPA registration application;
- 5) EBSO failed to disclose that the entity was named in an administrative action in the state of Nevada in July 2019;
- 6) Any of the above-cited conduct may be grounds for the denial of EBSO's TPA registration application pursuant to SDCL §§ 58-29D-21, 58-30-167 (1) & (2);

EBSO 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 EBSO 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, EBSO waives its right to contest the allegations contained in this Consent Order in any future actions or licensing procedures with the Division;

EBSO further agrees to pay \$5,000 pursuant to SDCL §§ 58-29D-31 and 58-4-28.1, in lieu of an administrative hearing and Final Decision;

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

EBSO 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;

EBSO waives its 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 EBSO pay a monetary penalty in the amount of \$5,000 payable to "South Dakota Division of Insurance" for deposit in the general fund of the State of South Dakota; and it is further

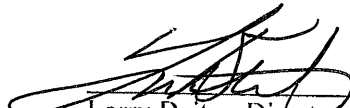
ORDERED that EBSO's TPA registration application is approved as of the effective date of this order; and it is further

ORDERED that EBSO abide by the agreements made 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

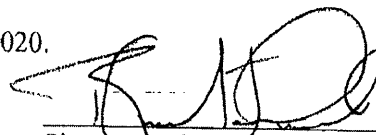
ORDERED that the provisions of this Consent Order shall be effective from the date the Director signs this Order.

Dated at Pierre, South Dakota this 19<sup>th</sup> day of JUNE, 2020.

  
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Larry Deiter, Director  
South Dakota Division of Insurance

The undersigned, on behalf of EBSO 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 9<sup>th</sup> day of JUNE, 2020.

  
\_\_\_\_\_  
Signature of Authorized Representative  
BRUCE FLUNKER  
\_\_\_\_\_  
Printed Name  
PRESIDENT  
\_\_\_\_\_  
Title