

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

**IN THE MATTER OF  
TEON SUMPTER  
LICENSEE**

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**FINAL DECISION  
INS 20-15**

After reviewing the record and the proposed order 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 September 14, 2020, is adopted in full.

IT IS FURTHER ORDERED that the South Dakota Non-resident Insurance Producer License of Teon Sumpter 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 19 day of September, 2020.



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Marcia Hultman, Secretary  
South Dakota Department of Labor and Regulation  
123 W. Missouri Ave.  
Pierre, SD 57501

STATE OF SOUTH DAKOTA  
DEPARTMENT OF LABOR AND REGULATION

IN THE MATTER OF  
TEON SUMPTER

INS 20-15

NOTICE OF ENTRY OF PROPOSED  
FINDINGS OF FACT, CONCLUSION OF LAW,  
AND DECISION AND FINAL DECISION

NOTICE IS HEREBY GIVEN, that attached hereto, is a true and correct copy of the Proposed Findings of Fact, Conclusions of Law, and Decision, and Final Decision entered by Marcia Hultman, Secretary of the South Dakota Department of Labor and Regulation, on September 19, 2020.

Dated this 22<sup>nd</sup> day of September, 2020.




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Lisa M. Harmon  
Legal Counsel  
South Dakota Division of Insurance  
124 S. Euclid Ave., 2<sup>nd</sup> Floor  
Pierre, SD 57501  
(605) 773-3563

**CERTIFICATE OF SERVICE**

I, Lisa Harmon, the undersigned, do hereby certify that on the date shown below, a true and correct copy of the Proposed Findings of Fact, Conclusions of Law, and Decision, and Final Decision with respect to the above-entitled action was sent U.S. Certified Mail thereon, to the following:

Teon Sumpter  
286 W Bay Ave.  
Norfolk, VA 23503-4549

Dated this 22<sup>nd</sup> day of September, 2020 in Pierre, South Dakota.

  
\_\_\_\_\_  
Lisa M. Harmon  
Legal Counsel  
South Dakota Division of Insurance  
124 S. Euclid Ave., 2<sup>nd</sup> Floor  
Pierre, SD 57501  
(605) 773-3563

## STATE OF SOUTH DAKOTA OFFICE OF HEARING EXAMINERS

### IN THE MATTER OF TEON SUMPTER

### INS 20-15 PROPOSED DECISION

This matter came for hearing before the Office of Hearing Examiners on September 9, 2020, pursuant to a Notice of Hearing issued by the South Dakota Division of Insurance (“Division”) on July 23, 2020. Lisa M. Harmon appeared as counsel for the Division. Teon Sumpter did not appear, either in person or through counsel. The Division admitted its Exhibits DOI 1 through DOI 6F into evidence and moved that the Hearing Examiner enter these Proposed Findings of Fact, Conclusions of Law, and Proposed Decision as a default disposition to this contested case.

### ISSUE

Whether the Non-Resident Insurance Producer License of Teon Sumpter should be revoked for violating the insurance laws of South Dakota and other jurisdictions; for withholding, misappropriating, or converting any monies or properties received in the course of doing insurance business; for using fraudulent or dishonest practices or demonstrating incompetence, untrustworthiness, or financial irresponsibility in the conduct of business in this state or elsewhere; for having a license revoked and suspended in other jurisdictions; and failing to timely report administrative actions to the Division in violation of SDCL 58-30-167(2), (4), (8), (9), and 58-30-193.

### FINDINGS OF FACT

1. Teon Sumpter was licensed by the Division as an insurance producer on December 7, 2018. The license is currently active. (Exhibit DOI 1).
2. Teon Sumpter was terminated for cause from an appointment with an insurance company for using a consumer’s financial information without the consumer’s consent for personal use. (Exhibits DOI 2 and DOI 3).
3. Teon Sumpter admitted to misappropriating the consumer’s financial information. (Exhibits DOI 4 and DOI 5).
4. Teon Sumpter was subject to administrative actions in the states of Indiana, North Dakota, Pennsylvania, Vermont, California, and Idaho. (Exhibit DOI 6A to DOI 6F).
5. Teon Sumpter did not timely report the administrative actions from the states of Indiana, North Dakota, Pennsylvania, Vermont, California, and Idaho.
6. Any additional Findings of Fact included in the Reasoning section of this decision are incorporated herein by reference.

7. 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

This case involves a request by the Division to revoke the South Dakota Non-Resident Insurance Producer's License of Teon Sumpter. As a consequence of the potential loss of Respondent's livelihood from the lack of licensure, the burden of proof in this matter is higher than the preponderance of evidence standard, which applies in a typical administrative hearing. "In matters concerning the revocation of a professional license, we determine that the appropriate standard of proof to be utilized by an agency is clear and convincing evidence." *In re Zar*, 434 N.W.2d 598, 602 (S.D. 1989). Our Supreme Court has defined "clear and convincing evidence" as follows:

The measure of proof required by this designation falls somewhere between the rule in ordinary civil cases and the requirement of our criminal procedure, that is, it must be more than a mere preponderance but not beyond a reasonable doubt. It is that measure or degree of proof which will produce in the mind of the trier of facts a firm belief or conviction as to the allegations sought to be established. The evidence need not be voluminous or undisputed to accomplish this.

*Brown v. Warner*, 78 S.D. 647, 653, 107 NW2d 1, 4 (1961).

SDCL 58-30-193 states that "[A]n insurance producer shall report to the director any administrative action taken against the insurance producer in another jurisdiction... within thirty days of the final disposition of the matter. This report shall include a copy of the order, consent order, or other relevant legal documents." In addition, the Division considers SDCL 58-30-167 (shown in pertinent part) as follows:

The director may... revoke or refuse to continue, any license issued under this chapter... after a hearing... The director may... revoke... an insurance producer's license... for any one or more of the following causes:

- (2) Violating any insurance laws or rules, subpoena, or order of the director or of another state's insurance director, commissioner, or superintendent;
- (4) Withholding, misappropriating, or converting any monies or properties received in the course of doing insurance business;
- (8) Using fraudulent, coercive, or dishonest practices, or demonstrating incompetence, untrustworthiness, or financial irresponsibility in the conduct of business in this state or elsewhere;
- (9) Having an insurance producer license, or its equivalent, denied, suspended, or revoked in any other state, province, district, or territory;

The evidence indicates that Teon Sumpter violated the insurance laws of South Dakota and other jurisdictions, misappropriated funds received in the course of insurance business, used fraudulent, coercive, or dishonest practices, or demonstrated incompetence or untrustworthiness in the conduct of her business, had a license revoked and suspended in other jurisdictions, and failed to report those actions to the Division. Applying the law to the Findings of Fact it is clear the Non-Resident Insurance Producer License of Teon Sumpter is subject to revocation and should be revoked.

### **CONCLUSIONS OF LAW**

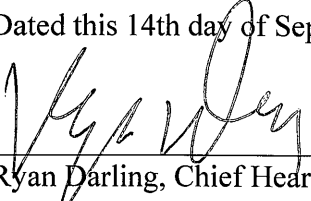
1. The Division has jurisdiction over Teon Sumpter and the subject matter of this contested case. The Office of Hearing Examiners is authorized to conduct the hearing and issue a proposed decision pursuant to SDCL 1-26D-4.
2. The Division bears the burden of establishing the alleged statutory violations by clear and convincing evidence.
3. The Division established by clear and convincing evidence that Teon Sumpter violated SDCL § 58-30-193.
4. The Division established by clear and convincing evidence that the South Dakota NonResident Insurance Producer License of Teon Sumpter is subject to revocation pursuant to SDCL § 58-33-167(2), (4), (8), and (9).
5. Any additional Conclusions of Law included in the Reasoning section of this decision are incorporated herein by reference.
6. 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.

Based on the above Findings of Fact, Reasoning, and Conclusions of Law, the Hearing Examiner enters the following:

**PROPOSED DECISION**

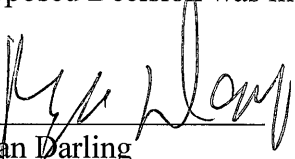
The South Dakota Non-Resident Insurance Producer License of Teon Sumpter should be revoked.

Dated this 14th day of September, 2020.

  
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Ryan Darling, Chief Hearing Examiner  
Office of Hearing Examiners  
523 East Capitol  
Pierre, SD 57501

**CERTIFICATE OF SERVICE**

I certify on September 14, 2020, at Pierre, South Dakota, a true and correct copy of this Proposed Decision was mailed to each of the parties below.

  
\_\_\_\_\_  
Ryan Darling  
Office of Hearing Examiners

TEON SUMPTER  
286 W BAY AVE.  
NORFOLK, VA 23503-4549

LISA M. HARMON  
DIVISION OF INSURANCE  
124 S. EUCLID AVE., 2<sup>ND</sup> FL  
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