



January 19, 2021

Kristi Vazquez
2150 W Alameda Rd. Unit 1008
Phoenix, AZ 85085-1901

SENT VIA CERTIFIED MAIL

RE: Application for Insurance Producer License

7016 2710 0000 6134 1689

Dear Ms. Vazquez,

This letter is to notify you that your application for licensure as a nonresident insurance producer in South Dakota has been denied. The reason for the denial is as follows:

On May 12, 2020, the South Dakota Division of Insurance (“Division”) received a termination for cause letter from Garrison Property and Casualty Insurance Company, United Services Automobile Association, USAA Casualty Insurance Company, and USAA General Indemnity Co. (collectively “USAA”), stating that you had been terminated for cause from employment. The Division began a follow-up investigation after receiving this letter. During this investigation, the Division received a license renewal application from you on May 20, 2020. Your insurance producer license was set to expire on May 31, 2020. The Division’s investigation uncovered USAA call audits from January 4, 2020. These call audits revealed what USAA considered to be deceptive practices, including behavior where you would encourage consumers to provide false information on their insurance applications, and the manipulation of rates based on this information without adequate explanation to the consumer.

The Division wrote you on July 7, 2020, asking for an explanation as to why your employment had been terminated, and if any South Dakota consumers were harmed in the process. You wrote back on July 25, 2020, stating that you would reply the next week, but did not address the Division’s concerns. After you did not reply when you said you would, the Division again wrote you an August 12, 2020, and asked for an appropriate response. You responded on August 20, 2020, stating that you had been terminated for being in the best interest of the member and that no South Dakota consumers had been harmed.

Based on the above information, your application is denied under SDCL 58-30-167(5), (7), and (8), and SDCL 58-33-66(1) for intentionally misrepresenting the terms of an actual or proposed insurance contract or application for insurance, having admitted or been found to have committed any insurance unfair trade practice or fraud, using fraudulent, coercive, or dishonest practices, or demonstrating incompetence, untrustworthiness, or financial irresponsibility in this state or elsewhere, and failing to respond to an inquiry from the Division within twenty days of receipt of such inquiry or request.

Please note that this denial is considered an administrative action which will be reported to the database maintained by the National Association of Insurance Commissioners. If an administrative action occurs, an insurance producer may be required to report the action to any and all states in which an insurance license is held and in accordance with the timeframes and requirements of each state.



Pursuant to SDCL § 58-30-168, you may make a written request to the Division of Insurance within thirty days of the date of this denial for a hearing to determine the reasonableness of this decision to deny your application for licensure.

Sincerely,

Maggie Dell

Maggie Dell, Assistant Director
South Dakota Division of Insurance
Department of Labor and Regulation

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