

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

**IN THE MATTER OF
EDWIN THOMPSON
LICENSEE**

)
) **FINAL DECISION**
) **INS 15-07**


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 June 2, 2015 is adopted in full.

IT IS FURTHER ORDERED that the South Dakota Non-resident Insurance Producer License of Edwin Thompson 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 11th day of June 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
EDWIN THOMPSON**

**PROPOSED DECISION
15-07**

V.

DIVISION OF INSURANCE

An administrative hearing was held in this matter on May 12, 2015. Licensee, Edwin Thompson (Thompson), did not appear or testify at the hearing. The Division of Insurance (Division) was represented by Brendan Stratton. 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 Thompson failed to report to the Division an appointment terminated against him for cause?

Whether Thompson failed to respond within 20 days to an inquiry from the Division?

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

FINDINGS OF FACT

I.

Thompson was licensed by the division as a non-resident producer on October 8, 2012.

II.

Thompson's South Dakota license number is 40242619. His license is currently active.

III.

On or about July 31, 2014, Metlife (an insurance company) sent a letter to the Division. They indicated that Thompson had been terminated for cause on July 25, 2014. The termination involved ethics and falsifying rating information.

IV.

Thompson did not report the termination to the Division.

V.

On August 1, 2014, the Division sent Thompson an inquiry regarding the termination.

VI.

The Division sent the letter to Thompson at his address of record, 6649 Stranwood Drive, Englewood Ohio 43522.

VII.

Thompson did not respond to the Division's August 1, 2014 letter.

VIII.

On September 2, 2014, the Division sent Thompson another inquiry via first class and certified mail regarding the termination to his address of record.

IX.

United States Postal Service records indicate the Division's September 2, 2014 letter was delivered on September 10, 2014.

X.

Thompson did not respond to the letter.

XI.

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

Thompson was terminated for alleged ethical reasons and falsification of rating information. When he was asked about these violations, Thompson failed to respond to the Division. 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. SDCL 58-33-66

SDCL 58-30-167 provides 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 or using fraudulent, coercive, or dishonest practices, or demonstrating incompetence, untrustworthiness, or financial irresponsibility in the conduct of business in this state or elsewhere.

In this case, the evidence shows the Division may revoke Thompson's insurance producer license. Thompson was terminated in another state for ethical reasons and failed to respond to inquiries from the Division.

CONCLUSIONS OF LAW

I.

The Division has jurisdiction over Thompson 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.

Thompson 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.

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

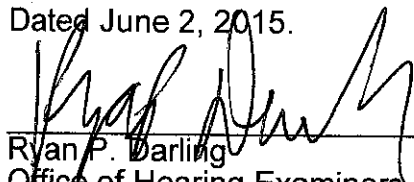
IV.

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 license of Edwin Thompson be revoked.

Dated June 2, 2015.



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

CERTIFICATE OF SERVICE

I certify that on June 4, 2015, at Pierre, South Dakota, a true and correct copy of this Proposed Order was mailed to each of the parties listed below.


Ashley Parsons
Legal Secretary

Marcia Hultman
Department of Labor Secretary
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Brendan Stratton
Insurance Division Counsel
for the Department
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