BEFORE THE INSURANCE COMMISSIONER OF THE STATE OF OKLAHOMA

FILED

APR 15 2010

INSURANCE COMMISSIONER OKLAHOMA

STATE OF OKLAHOMA, ex rel. KIM HOLLAND, Insurance Commissioner,	)	
Petitioner	)	
v.	)	**Case No. 10-0485-DIS**
DAVID SAMPSON, a licensed Oklahoma Insurance Producer,	)	
Respondent.	)	

CONDITIONAL ADMINISTRATIVE ORDER AND NOTICE OF RIGHT TO BE HEARD

COMES NOW the State of Oklahoma, ex rel. Kim Holland, Insurance Commissioner, by and through her attorney, Julie Delluomo, and alleges and states as follows:

JURISDICTION

1. Kim Holland is the Insurance Commissioner of the State of Oklahoma and is charged with the duty of administering and enforcing all provisions of the Oklahoma Insurance Code, 36 O.S. §§ 101 *et seq*.

2. The Insurance Commissioner may place on probation, censure, suspend, revoke or refuse to issue or renew a license issued pursuant to the Oklahoma Producer Licensing Act and/or may levy a fine up to $1,000.00 for each occurrence of a violation of the Oklahoma Insurance Code, 36 O.S. § 1435.13(A) and (D).

3. Respondent is licensed by the State of Oklahoma as a resident insurance producer holding license number 101679.

ALLEGATIONS OF FACT

1. Respondent David Sampson's address of record with the Oklahoma Insurance Company is [redacted]

2. The Consumer Assistance/Claims Division of the Oklahoma Insurance Department received a Request for Assistance from Julie Hughes on September 30, 2009. Ms. Hughes complained that after purchasing auto insurance from David Sampson, the insurer GHS Property & Casualty denied coverage but Sampson failed to notify Hughes or place her auto coverage elsewhere. When Hughes' lien holder determined there was no auto insurance coverage, the lien holder had auto insurance issued. Hughes then purchased auto insurance from Geico.

3. Sampson then contacted Hughes and stated he could place her auto coverage with Hanover. Hughes declined because she wanted to stay with Geico. Despite this, a Hanover policy was issued and the premium was not paid. Hanover then turned to a collection agency to collect the premium from Hughes. Ms. Hughes complained to the Department after being unsuccessful in resolving the matter with Hanover and the collection agency.

4. A letter of inquiry was sent from Kent Humphrey, Consumer Assistance, to Hanover on October 7, 2009. A response was received from Jill Capuano with Hanover Collections on October 23, 2009. Ms. Capuano explained that a request was received from the agent to cancel the Hughes homeowners with Hanover but there was no request to cancel the Hughes auto policy. Hanover required a signed document from the agent or a copy of the new declaration page showing the effective date to confirm coverage was in place. Neither was received.

5. The Consumer Assistance/Claims Division also sent a letter of inquiry to the insurance agent in this matter, Respondent David Sampson, on December 16, 2009. The letter requested an adequate response within thirty days pursuant to 36 O.S. § 1250.4(B) and asked for a copy of the insurance policy and the name of a contact person who would be handling the matter. (Exhibit A).

6. No response was received. Kent Humphrey called David Sampson on February 17, 2010 and was advised by Sampson that he had received the letter and would be sending his

response. No response was received. A second letter was sent on March 8, 2010 to Respondent David Sampson advising that he had failed to respond to the first letter. (Exhibit B).

7. *Every agent, adjuster, administrator, insurance company representative, or insurer, upon receipt of any inquiry from the Commissioner concerning a claim or a problem involving premium monies, shall within twenty (20) days after receipt of such inquiry, furnish the Commissioner with an adequate response to the inquiry.*

CONCLUSIONS OF LAW

1. Respondent has violated 36 O.S. § 1250.4 by failing to respond to letters of inquiry.

2. Respondent has violated 36 O.S. § 1435.13(A)(2) by violating insurance law 36 O.S. § 1250.4.

ORDER

IT IS THEREFORE ORDERED, ADJUDGED AND DECREED by the Insurance Commissioner, subject to the following paragraph, that the Respondent violated 36 O.S. § 1250.4 and 36 O.S. § 1435.13(A)(2) and as a result **Respondent is CENSURED AND FINED** in the amount of **FIVE HUNDRED DOLLARS ($500.00). Fine to be paid within thirty (30) days of receipt of this Order. It is further ordered that Respondent include a formal response to the complaint when the fine is paid.**

IT IS FURTHER ORDERED, ADJUDGED AND DECREED by the Insurance Commissioner that this Order is a Conditional Order. Unless the Respondent requests a hearing with respect to the Allegations of Fact set forth above within thirty (30) days of the date of mailing of this Order, this Order and the penalties set forth above shall become a Final Order on the thirty-first day following the date of mailing this Order. A request for hearing should be in writing addressed to Julie Delluomo, Oklahoma Insurance Department, Legal Division, Post Office Box 53408, Oklahoma City, Oklahoma 73152-3408. The request for hearing must state the grounds for the request to set aside or modify the Order.

Any such hearing shall be conducted according to the procedures for contested cases under the Insurance Code and 75 O.S. § 250-323. If the Respondent serves a timely request for hearing on the Oklahoma Insurance Department, this Conditional Order shall act as notice of the matters to be reviewed at the hearing, and the Allegations of Fact, Alleged Violations of Law, and penalties imposed in this Conditional Order shall be considered withdrawn, pending final resolution at the hearing.

WITNESS My Hand and Official Seal this 15th day of April 2010.

KIM HOLLAND
INSURANCE COMMISSIONER
STATE OF OKLAHOMA

Julie Delluomo

Julie Delluomo
Assistant General Counsel
P.O. Box 53408
Oklahoma City, Oklahoma 73152
Telephone: (405) 521-2746
Facsimile: (405) 522-0125

CERTIFICATE OF MAILING

I, Julie Delluomo, hereby certify that a true and correct copy of the above and foregoing Conditional Administrative Order and Notice of Right to be Heard was mailed by certified mail with postage prepaid and return receipt requested, and by regular mail, on this 15th day of April to:

David Sampson
[redacted]

CERTIFIED MAIL No.: 7006 0810 0002 6164 0207

and that notification was sent to:

NAIC/RIRS

and that a copy was mailed to:

All Appointing Insurers

and that a copy was delivered to:

Consumer Assistance/Claims Division

And

Producer Licensing Division

Julie Delluomo

Julie Delluomo

GOVERNOR
BRAD HENRY

INSURANCE COMMISSIONER
KIM HOLLAND

OKLAHOMA INSURANCE DEPARTMENT
STATE OF OKLAHOMA

December 16, 2009

DAVID SAMPSON
[redacted]

Re: JULIE HUGHES
OID FILE NUMBER: 200010923

Dear David Sampson:

Enclosed you will find a copy of a Request for Assistance we have received from the above inquirer. Please review this correspondence and advise this office of your position. We ask that you use our file number on all correspondence concerning this inquiry.

Section 1250.4 (B) of the Oklahoma Insurance Code requires that your company provide this Department with an adequate written explanation regarding your position taken in this matter. Your response must be received by this office no later than thirty (30) days from the date of this letter.

Your response must include the full name of the insuring company and the corresponding NAIC company code. This will ensure that we associate the record of the complaint with the appropriate entity.

We also request that you provide a copy of the policy in question, and further request that you provide a specific contact person who will be handling this matter, their direct telephone number and e-mail address.

Thank you in advance for your assistance and your timely response. This department looks forward to working with you in resolving the insurance problems of this consumer.

Regards,

KENT E HUMPHREY
P & C Claims Analyst
Consumer Assistance/Claims Division
405-521-2991
Enclosure

EXHIBIT
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GOVERNOR
BRAD HENRY

INSURANCE COMMISSIONER
KIM HOLLAND

OKLAHOMA INSURANCE DEPARTMENT
STATE OF OKLAHOMA

March 8, 2010

DAVID SAMPSON
[redacted]

Re: JULIE HUGHES
OID FILE NUMBER: 200010923

Dear David Sampson:

This letter is in reference to our recent inquiry regarding the referenced matter, a copy of which is attached for your easy reference.

Our files indicate that we have not received a reply to our inquiry. Please be advised that failure to furnish the Insurance Department with an adequate response to any inquiry within twenty (20) days of receipt of the inquiry constitutes violation of 36 O.S. §1250.4.

Please give this matter your immediate attention and forward your reply so this office can evaluate your position and reply to the complainant.

Sincerely,

KENT E HUMPHREY
P & C Claims Analyst
Consumer Assistance/Claims Division
405-521-2991

EXHIBIT
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