

STATE OF NORTH DAKOTA

BEFORE THE INSURANCE COMMISSIONER

| | | |
|------------------|---|--------------------|
| In the Matter of |) | |
| |) | |
| Todd Gustafson, |) | CONSENT ORDER |
| NPN 6023856, |) | |
| DOB 9/13/62, |) | FILE NO. AG-11-331 |
| |) | |
| Respondent. |) | |

Insurance Commissioner Adam Hamm ("Commissioner") has determined as follows:

1. Todd Gustafson, NPN 6023856, DOB 9/13/62 ("Respondent") is an individual who holds a North Dakota resident insurance producer's license.

2. As a result of information obtained by the North Dakota Insurance Department ("Department") regarding the conduct of Respondent, the Commissioner has considered issuing a complaint with imposition of a civil penalty or any other action the Commissioner deems necessary. Respondent's conduct is alleged to be in violation of N.D.C.C. § 26.1-26-03.

3. N.D.C.C. § 26.1-26-03 states in relevant part:

26.1-26-03. License required – Acting as insurance producer or consultant without license prohibited – penalty. No person may act as or hold oneself out to be an insurance producer, insurance consultant, or surplus lines insurance producer unless licensed under this chapter. A person may not sell, solicit, or negotiate insurance in this state for any class of insurance unless the person is licensed for that line of authority in accordance with this chapter....

4. Respondent's resident producer license was canceled October 1, 2011, for failure to renew. Respondent applied for and was issued a new resident producer license on October 6, 2011 ("new license").

5. Respondent had no North Dakota producer's license from the time his license was canceled October 1, 2011, until his new license was issued October 6, 2011. Respondent sold a policy of insurance during the time he had no North Dakota license. Respondent's action constitutes a violation of N.D.C.C. § 26.1-26-03.

6. Respondent's action in violation of N.D.C.C. § 26.1-26-03 is grounds for imposition of a civil penalty pursuant to N.D.C.C. § 26.1-26-50, which states in relevant part:

26.1-26-50. Civil penalty for violation of chapter.

In addition to or in lieu of any applicable denial, suspension, or revocation of a license, any person violating this chapter may, after hearing, be subject to a civil fine not to exceed ten thousand dollars for each violation.

7. Respondent acknowledges that at the time of signing the Consent to Entry of Order, he was aware of or had been advised of his rights to a hearing in this matter, to consult an attorney, to present argument to the Commissioner, to appeal from any adverse determination after a hearing, and Respondent expressly waives those rights.

8. Respondent has agreed to informal disposition of this matter, without a hearing, as provided under N.D.C.C. § 28-32-22.

9. The parties acknowledge this Order is a compromise of disputed claims, and the monetary payment is not to be construed as an admission of the allegations on the part of Respondent. Respondent denies the allegations and merely intends to avoid litigation.

10. There are no covenants, promises, undertakings, or understanding other than as specifically set forth in this Order.

11. Respondent consents to the Commissioner's continuing jurisdiction over him regarding any issues which may subsequently arise related to Respondent's activities.

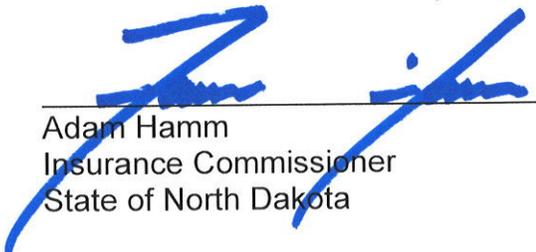
12. For purposes of resolving this matter, without further administrative proceedings, Respondent and the Commissioner have agreed to enter into the following order.

NOW, THEREFORE, IT IS HEREBY ORDERED THAT:

1. Respondent agrees to pay a fine in the amount of \$250 payable by money order, cashier's check, or credit card to the North Dakota Insurance Department within five business days of the effective date of this Order.

2. The use of this Consent Order for competitive purposes by an insurance agent or agency holding a license in the State of North 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.

DATED at Bismarck, North Dakota, this 17th day of January, 2012.

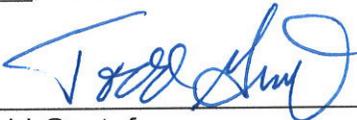


Adam Hamm
Insurance Commissioner
State of North Dakota

CONSENT TO ENTRY OF ORDER

The undersigned, **Todd Gustafson**, states that he has read the foregoing Consent Order; that he knows and fully understands its contents and effect; that he has been advised of his right to a hearing in this matter, his right to be represented by legal counsel, his right to present evidence and arguments to the Commissioner, and his right to appeal from an adverse determination after hearing; and that by the signing of this Consent to Entry of Order he waives those rights in their entirety, and consents to entry of this Order by the Commissioner of Insurance. It is further expressly understood that this Order constitutes the entire settlement agreement between the parties, there being no other promises or agreements, either expressed or implied.

DATED this 12 day of January, 2012.



Todd Gustafson

Subscribed and sworn to before me

this 12 day of January, 2012.



Notary Public

State of North Dakota
County of Cass

My commission expires: April 19 2017

