

STATE OF NORTH DAKOTA
BEFORE THE INSURANCE COMMISSIONER

In the Matter of)	CEASE AND DESIST ORDER
)	AND NOTICE OF
Sandra Gottbreht,)	OPPORTUNITY FOR HEARING
NPN 663840,)	
)	CASE NO. AG-19-781
Respondent.)	

TO: Sandra Gottbreht, PO Box 719, Dunseith, ND 58329

Insurance Commissioner Jon Godfread ("Commissioner") has determined as follows:

1. N.D.C.C. § 26.1-01-03.1 authorizes the Commissioner to issue an Order to cease and desist when it appears that any person or business entity is or has engaged in an act or practice which violates or may lead to a violation of Title 26.1 of the North Dakota Century Code.
2. N.D.C.C. ch. 26.1-26 regulates the licensing of insurance producers.
3. Sandra Gottbreht, NPN 663840 ("Respondent"), is presently and has been at all times pertinent to this action a licensed North Dakota resident insurance producer.
4. N.D.C.C. § 26.1-26-42 states, in part:

The commissioner may suspend, revoke, place on probation, or refuse to continue or refuse to issue any license issued under this chapter if, after notice to the licensee and hearing, the commissioner finds as to the licensee any of the following conditions:

. . .
6. In the conduct of affairs under the license, the licensee has used fraudulent, coercive, or dishonest practices, or has shown oneself to be incompetent, untrustworthy, or financially irresponsible.

5. The Commissioner has a reasonable basis to believe that the Respondent has engaged in, is engaging in, or is about to engage in, an act or practice as more fully described below which violates or may lead to a violation of N.D.C.C. title 26.1. It is necessary and appropriate in the public interest and for the protection of insurance consumers to restrain these acts or practices of Respondent.

6. Respondent has held a North Dakota resident insurance producer license since October 4, 1996.

7. The Commissioner has come into information which alleges that Respondent has knowingly engaged in a dishonest or untrustworthy or financially irresponsible act or practice in the business of insurance by engaging in "check kiting" scheme, in which she has illegally written several checks off of bank accounts with inadequate funds to cover those checks several times since at least November 1, 2018 and continuing through until on or about December 20, 2018.

8. According to information obtained during the course of an investigation by the Department, beginning on or about November 1, 2018, through on or about December 20, 2018, Respondent was writing checks back and forth among Campbell Insurance Agency, Inc. accounts at Starion Bank and North Star Community Credit Union when the accounts did not have sufficient funds to cover payment of those checks, otherwise known as "check kiting" in an attempt to keep all account balances positive to cover insurance premium payment sweeps and to cover for an IRS tax levy that was debited from one of the Campbell Insurance Agency's Starion accounts.

9. As a result of Respondent's actions, North Star Community Credit Union has lost \$8,378.45.

10. Respondent received personal financial benefit by engaging in this conduct.

11. Respondent's conduct outlined above constitutes violations of N.D.C.C § 26.1-26-42(6).

NOW, THEREFORE, IT IS HEREBY ORDERED pursuant to N.D.C.C. § 26.1-01-03.1 that Respondent, whether acting in the State of North Dakota as an insurance producer or otherwise engaging in the business of insurance, either directly or indirectly through named and unnamed persons, entities, agents, or otherwise, shall immediately **CEASE AND DESIST** from soliciting, transacting, or otherwise engaging in the business of insurance.

IT IS FURTHER ORDERED pursuant to N.D.C.C. § 26.1-01-03.1 that Respondent may make a written request for a hearing on this matter within 30 days of the date of this Order.

If the Respondent fails to request a hearing in writing within 30 days after being served with a copy of this Cease and Desist Order, the Commissioner shall make the Cease and Desist Order permanent, as the facts require.

DATED this 5th day of March, 2019.



Jon Godfread
Commissioner
North Dakota Insurance Department
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