

STATE OF NORTH DAKOTA
BEFORE THE INSURANCE COMMISSIONER

In the Matter of)
)
David John Glessner,)
NPN 7439223,)
DOB 8/5/66, and)
)
MAG Insurance LLC,)
License No. 20293262,)
NPN 7743783,)
)
Respondents.)

**CEASE AND DESIST ORDER
AND NOTICE OF OPPORTUNITY
FOR HEARING**

CASE NO. AG-10-274

**TO: David John Glessner, 815 Belmont Road, Grand Forks, ND 58201, and
MAG Insurance LLC, 815 Belmont Road, Grand Forks, ND 58201**

Insurance Commissioner Adam Hamm (“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 the North Dakota Century Code.
2. N.D.C.C. Chapter 26.1-26 regulates the licensing of insurance producers.
3. David John Glessner, NPN 7439223, DOB 8/5/66 (“Glessner” or “Respondent”), is presently and has been at all times pertinent to this action a licensed North Dakota resident insurance producer.

4. MAG Insurance LLC, License No. 20293262, NPN 7743783 (“MAG” or “Respondent”), is presently and has been at all times pertinent to this action a licensed North Dakota business entity insurance producer.

5. N.D.C.C. § 26.1-26-15 states:

An applicant for any license under this chapter must be deemed by the commissioner to be competent, trustworthy, financially responsible, and of good personal and business reputation.

6. 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.

...

10. An improper withholding of, misappropriating of, or converting to one’s own use any moneys belonging to policyholders, insurers, beneficiaries, or others received in the course of one’s insurance business.

7. N.D.C.C. § 26.1-02.1-02.1 states, in part:

A person may not commit a fraudulent insurance act.

8. The Commissioner has come into information which alleges that Respondents have knowingly and intentionally engaged in deceitful and dishonest practices against residents of the State of North Dakota by accepting money and

improperly converting money belonging to insurance clients, and in issuance of one or more falsified insurance policies. By these actions Respondents have also shown themselves incompetent, untrustworthy, or financially irresponsible in the conduct of affairs under the license.

9. Respondents are Randy Brown's insurance agent and have been in charge of obtaining and servicing multiple insurance policies for Randy Brown and Brown's business entities including Dakota Fusion, Inc. Randy Brown is a resident of North Dakota. MAG is the business entity name by which Glessner conducts some or all of his insurance producer business.

10. Randy Brown has an ownership interest in two homes in Big Sky, Montana. Respondents, acting as an insurance agent, created or caused to be created landlord protection liability policies ostensibly issued by Safeco Insurance Company on the two Montana homes ("Safeco policies"). The Safeco policies were dated February 17, 2009. Safeco Insurance Company did not issue any such insurance policies on either of the two Montana homes on or about February 17, 2009, or at any other time.

11. In February 2010, Glessner, acting as an insurance agent, called Randy Brown and informed him that the Safeco policies needed to be renewed and that Brown had not paid the prior year's premiums.

12. On or about May 26, 2010, Respondents, acting as an insurance agent, accepted \$8,762.00 from Dakota Fusion Inc. for payment of one or more insurance premiums on one or more of the Safeco policies. Respondents applied the money received from Dakota Fusion Inc. to personal use and failed to apply it to an actual insurance policy in violation of N.D.C.C. §§ 26.1-02.1-02.1, 26.1-26-15 and 26.1-26-42(6) and (10).

13. Respondents' conduct constitutes violations of N.D.C.C §§ 26.1-02.1-02.1, 26.1-26-15 and 26.1-26-42(6) and (10).

NOW, THEREFORE, IT IS HEREBY ORDERED pursuant to N.D.C.C. § 26.1-01-03.1 that Respondents, whether acting in the State of North Dakota as an insurer, a risk retention group, a purchasing group, an insurance producer, a business entity, 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 Respondents may make a written request for a hearing on this matter within 30 days of the date of this Order.

If the Respondents fail 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 6th day of July, 2010.



Adam Hamm
Commissioner
North Dakota Insurance Department
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Bismarck, ND 58505
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