

BEFORE THE ADMINISTRATIVE HEARING COMMISSION
STATE OF MISSOURI

FILED

APR 14 2005

ADMINISTRATIVE HEARING
COMMISSION

W. DALE FINKE, Director of)
Insurance, State of Missouri,)
)
Petitioner,)
)
v.)
)
DEMETRIUS GLASS &)
VERSATILE MANAGEMENT)
GROUP,)
)
Respondents.)

Case No. 04-1128 DI

FINDINGS OF FACT, CONCLUSIONS OF LAW AND ORDER

A hearing was held in this cause on January 12, 2005. Stephen R. Gleason represented Petitioner and Dorothy White-Coleman represented Respondents.

FINDINGS OF FACT

1. Petitioner is the duly appointed Director of Insurance, State of Missouri ("the Director"), whose duties include the licensing, discipline and regulation of insurance producers in this state pursuant to Chapter 375, RSMo.

2. Respondent Demetrius Glass held a Missouri insurance producer license issued by the Director, No. PR238505, which expired on June 24, 2004. The license cited "Accident and Health, Life and Variable Contracts" as Respondent Glass' authorized lines of insurance. Petitioner refused to renew Respondent Glass' license and the license was terminated on June 24, 2004. (Petitioner's Exhibit 1)

3. Respondent Versatile Management Group (VMG) was issued an insurance business entity producer license by the Director, number AG8013543, which expires on

November 7, 2005. Respondent Glass was at all times mentioned herein the sole owner and sole officer of Respondent VMG. (Petitioner's Exhibit 2)

4. On February 10, 2003, Respondent Glass received \$898.00 from Sonya J. James in the course of doing insurance business. (Petitioner's Exhibit 3)

5. Such funds belonged to Sonya J. James. (Petitioner's Exhibit 3)

6. Respondent Glass improperly withheld and misappropriated such funds for his own use and diverted such funds for a use other than that intended. (Petitioner's Exhibit 3)

7. Such funds were for an insurance premium payment associated with a personal insurance policy of James and Respondent Glass knowingly failed to remit the premium payment to the insurer within thirty days of receiving the payment. (Petitioner's Exhibit 3)

8. As a result of Respondent Glass' conduct, James was without insurance coverage for a period of time. (Petitioner's Exhibit 3)

9. Respondent Glass also sold James a homeowner's insurance policy and an automobile insurance policy although he was not licensed to sell homeowner's or automobile insurance. (Petitioner's Exhibit 1 and 3)

10. On June 13, 2003, Respondent Glass received \$163.87 from Veronica Osborne in the course of doing insurance business. (Petitioner's Exhibit 4)

11. Such funds belonged to Veronica Osborne. (Petitioner's Exhibit 4)

12. Respondent Glass improperly withheld and misappropriated such funds for his own use and diverted such funds for a use other than that intended. (Petitioner's Exhibit 4)

13. Such funds were for an insurance premium payment associated with a personal insurance policy of Osborne and Respondent Glass knowingly failed to remit the premium payment to the insurer within thirty days of receiving the payment. (Petitioner's Exhibit 4)

14. As a result of Respondent Glass' conduct, Osborne was without insurance coverage for a period of time. (Petitioner's Exhibit 4)

15. Respondent Glass also sold Osborne a homeowner's insurance policy and an automobile insurance policy although he was not licensed to sell homeowner's or automobile insurance. (Petitioner's Exhibits 1 and 4)

16. Respondent Glass was at all times mentioned herein the sole owner and sole officer of Respondent VMG, and was at all times mentioned herein acting on behalf of Respondent VMG. (Petitioner's Exhibits 2,3 and 4)

17. Respondent Glass' actions set forth above were not reported to the Director by Respondent VMG nor was corrective action taken by Respondent VMG. (Petitioner's Exhibits 3 and 4)

18. Prior to June 24, 2004, Respondent Glass filed an application with the Director to have "Property and Casualty" added as a line of insurance on his producer license and also filed an application with the Director to have his producer license renewed. (Petitioner's Exhibit 8)

19. On June 24, 2004, the Director sent a notice of refusal to Respondent Glass, wherein the Director refused to add "Property and Casualty" as a line of insurance to Respondent Glass' license and also refused to renew Respondent Glass' license. (Petitioner's Exhibit 8)

CONCLUSIONS OF LAW

1. This Commission has jurisdiction of this cause pursuant to section 621.045, RSMo.

2. Respondents have improperly withheld, misappropriated and converted money received in the course of doing insurance business, a ground for discipline under section 375.141.1(4), RSMo Supp. 2004.

3. Respondents have violated an insurance regulation (20 CSR 700-1.140(2)(D)), a ground for discipline under section 375.141.1(2), RSMo Supp. 2004.

4. Respondents have used dishonest practices and demonstrated incompetence, untrustworthiness and financial irresponsibility in the conduct of business in this state, a ground for discipline under section 375.141.1(8), RSMo Supp. 2004.

ORDER

The Director's refusal to add "Property and Casualty" as a line of insurance to Respondent Glass' license is affirmed. The Director's refusal to renew Respondent Glass' license is affirmed. Respondent Glass' insurance producer license and Respondent VMG's insurance producer license are subject to discipline under sections 375.141.1(2), (4) & (8), RSMo. Supp. 2004.

Date: _____

Commissioner