DEPARTMENT OF INSURANCE, FINANCIAL INSTITUTIONS AND PROFESSIONAL REGISTRATION

P.O. Box 690, Jefferson City, Mo. 65102-0690

In re:	)	
	)	
MATTHEW L. FOSTER,	)	**Case No. 110315375C**
	)	
Respondent.	)	

CONSENT ORDER

John M. Huff, Director of the Department of Insurance, Financial Institutions and Professional Registration takes up the above-referenced matter for consideration and disposition. The Consumer Affairs Division, through counsel, Mary S. Erickson, and Respondent Matthew L. Foster have reached a settlement in this matter and Respondent has consented to the issuance of this Consent Order.

Findings of Fact

1. John M. Huff is the duly appointed Director of the Missouri Department of Insurance, Financial Institutions, and Professional Registration ("Department") whose duties, pursuant to Chapters 374 and 375 RSMo, include supervision, regulation, and discipline of insurance producers.

2. The Consumer Affairs Division of the Department ("Division") has the duty of conducting investigations into the unfair or unlawful acts of insurance producers and companies under the insurance laws of this state and has been authorized by the Director to initiate this action before the Director to enforce the insurance laws of this state.

3. The Department originally issued Respondent Matthew L. Foster ("Foster") an insurance producer license (No. 8042235) on January 14, 2010. The license was voluntarily surrendered on February 15, 2011 and expired on January 14, 2012.

4. The Division seeks to discipline Respondent Foster's insurance producer license and alleges the following:

a. On or about July 28, 2010, Combined Insurance Company of America ("Combined") informed the Department via letter that it had terminated Foster's employment for cause due to forgery and fraud.

b. On August 24, 2010, Special Investigator Keith Hendrickson ("Hendrickson"), of the Division, mailed by U.S. mail, a letter to Foster at his residential address, requesting a detailed response to Combined's allegations, which were included with the letter.

c. The August 24, 2010 letter stated that Foster's response was due on or before September 13, 2010.

d. Foster did not respond timely to the Division and did not demonstrate a reasonable justification for a delayed response.

e. On September 21, 2010, Hendrickson mailed, by U.S. mail, a second letter to Foster at his residential address, requesting a detailed response to Combined's allegations, which were included with the letter.

f. The September 21, 2010 letter stated that Foster's response was due on or before October 12, 2010.

g. Foster did not respond timely to the Division and did not demonstrate a reasonable justification for a delayed response.

h. On January 25, 2011, the Director ordered Foster, pursuant to a Subpoena Duces Tecum, to appear, answer questions, and produce documents at the Department on February 15, 2011.

i. On February 15, 2011, Foster appeared and admitted to fraudulently submitting insurance policies and forging signatures for twelve (12) consumers.

5. In light of these facts, Respondent Foster's insurance producer license is subject to discipline on the following grounds:

a. Failing to timely respond to two separate Division inquiries pursuant to 20 C.R.S. 100-4.100, which is grounds to discipline under §375.141.1(2), RSMo (Supp. 2010).[1]

b. Having admitted to committing fraud by submitting twelve (12) separate, false applications pursuant to §375.141.1(7).

c. Using fraudulent and dishonest practices and by demonstrating incompetence and untrustworthiness in the conduct of business in this state by submitting said applications pursuant to §375.1.141(8).

d. Signing the name of another to an application for insurance without authorization on twelve (12) occasions pursuant to §375.1.141(10).

[1] All statutory references are to RSMo (Supp. 2010) unless otherwise indicated.

6. Section 375.141 provides, in relevant part:

> 1. The director may suspend, revoke, refuse to issue or refuse to renew an insurance producer license for any one or more of the following causes:
>
> * * *
>
> (2) Violating any insurance laws, or violating any regulation, subpoena or order of the director or of another insurance commissioner in any other state;
>
> * * *
>
> (7) Having admitted or been found to have committed any insurance unfair trade practice or fraud;
>
> (8) Using fraudulent, coercive, or dishonest practices, or demonstrating incompetence, untrustworthiness or financial irresponsibility in the conduct of business in this state or elsewhere;
>
> * * *
>
> (10) Signing the name of another to an application for insurance or to any document related to an insurance transaction without authorization[.]

7. Title 20 CSR 100-4.100, Required Response to Inquiries by the Consumer Affairs Division, provides in relevant part:

> (2) Except as required under subsection (2)(B)—
>
> (A) Upon receipt of any inquiry from the division, every person shall mail to the division an adequate response to the inquiry within twenty (20) days from the date the division mails the inquiry. An envelope's postmark shall determine the date of mailing. When the requested response is not produced by the person within twenty (20) days, this nonproduction shall be deemed a violation of this rule, unless the person can demonstrate that there is reasonable justification for that delay.

8. Respondent Foster admits to the facts alleged by the Division and outlined in this Consent Order. Respondent agrees that these facts constitute grounds to discipline his insurance producer license.

9. Respondent Foster further acknowledges that he understands he has the right to consult an attorney at his own expense.

10. Foster stipulates and agrees to waive any rights that he may have to a hearing before the Administrative Hearing Commission or the Director and any rights to seek judicial review or other challenge or contest of the terms and conditions of this Consent Order and forever release and hold harmless the Department, the Director, his agents, and the Consumer Affairs Division from all liability and claims arising out of, pertaining to, or relating to this matter.

11. Foster acknowledges and understands that this Consent Order is an administrative action and will be reported by the Department to other states. Foster further acknowledges and understands that this administrative action should be disclosed on future applications and renewal applications and that it is his responsibility to comply with the reporting requirements of each state in which he is licensed.

12. Each signatory to this Consent Order certifies by signing that he or she is fully authorized, in his or her own capacity, or by the named party he or she represents, to accept the terms and provisions of this Consent Order in their entirety, and agrees, in his or her personal or representational capacity, to be bound by the terms of this Consent Order.

Conclusions of Law

13. The allegations raised by the Consumer Affairs Division are grounds to discipline Foster's Missouri insurance producer license pursuant to § 375.141.1 (2), (7), (8), and (10).

14. The Director may impose orders in the public interest under § 374.046.

15. The terms set forth in this Consent Order are an appropriate disposition of this matter and entry of this Consent Order is in the public interest.

ORDER

IT IS ORDERED THAT Respondent Matthew L. Foster's insurance producer license (No. 8042235) is hereby revoked.

SO ORDERED, SIGNED AND OFFICIAL SEAL AFFIXED THIS 15th DAY OF FEBRUARY, 2012.

JOHN M. HUFF, Director
Missouri Department of Insurance,
Financial Institutions and Professional
Registration

CONSENT AND WAIVER OF HEARING

The undersigned persons understand and acknowledge that Respondent Matthew L. Foster has a right to a hearing, but that Respondent waived the hearing and consented to the issuance of this Consent Order.

Matthew L. Foster
36380 Cottonwood Trail
Unionville, Missouri 63565
Telephone: (660) 216-6605
Respondent

2-9-12
Date

Counsel for Respondent
Name: _____
Missouri Bar No. _____
Address: _____
_____
Phone: _____
Fax: _____

Date

Mary S. Erickson
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2/14/12
Date