



**DEPARTMENT OF INSURANCE, FINANCIAL  
INSTITUTIONS AND PROFESSIONAL REGISTRATION**

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

In the Matter of:

WENDI ANN GLASS

and

VMG.

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AHC Case No. 09-1524 DI  
DIFP Case No. 09-0513543C

**FINDINGS OF FACT, CONCLUSIONS OF LAW  
AND ORDER OF DISCIPLINE**

John M. Huff, Director of the Missouri Department of Insurance, Financial Institutions, and Professional Registration, hereby issues the following Findings of Fact, Conclusions of Law, and Order.

**Findings of Fact**

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

2. The Department issued Respondent Wendi Ann Glass ("Glass") an insurance producer license on October 25, 2005 (License No. 0357942), which has subsequently been renewed and was set to expire on October 25, 2011.

3. On January 4, 2006, Glass registered the fictitious name "VMG" with the Missouri Secretary of State and listed herself as the 100% owner of VMG.

4. The Department issued Respondent VMG a business entity insurance producer license on January 10, 2006 (License No. 8020862). That license was set to expire on January 10, 2012.

5. At all relevant times, VMG was a sole proprietorship owned and operated by Glass and for which Glass was the responsible insurance producer.

6. The Director filed a First Amended Complaint with the Administrative Hearing Commission (the "AHC") on April 27, 2010, alleging cause existed to discipline Glass's individual insurance producer license under § 375.141.1(4) and (8), RSMo (Supp. 2010)<sup>1</sup> and under § 375.141.1(2) for violating §§ 375.144 and 375.116, title 20 CSR 700-1.140(1)(A), and title 20 CSR 700-1.140(1)(D). The First Amended Complaint also alleged that cause existed to discipline VMG's business entity insurance producer license under those same statutes and under § 375.141.3.

7. Neither Glass nor VMG answered the First Amended Complaint.

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<sup>1</sup> All statutory references in this Order shall be to RSMo (Supp. 2010), unless otherwise indicated. The AHC's Decision cites to RSMo (Supp. 2010) rather than the 2009 Supplement referenced in the First Amended Complaint. However the text of the relevant statutes did not change.

8. The AHC held a hearing on the Director's Complaint on July 29, 2010, at which Petitioner Director appeared through counsel, Elfin Noce, and Respondents appeared *pro se*.<sup>2</sup> After the hearing, the Director, through counsel Andy Heitmann, filed a brief with the AHC. Respondents responded, and the Director filed a reply brief.

9. On April 7, 2011, the AHC issued its Decision finding cause to discipline Glass's individual insurance producer license under §§ 375.141.1(2), (4) and (8), and to discipline VMG's business entity insurance producer license under §§ 375.141.1(2), (4), (8) and .3. The AHC found cause for discipline under all counts alleged by the Director, except under Count XVI of the First Amended Complaint, which the AHC interpreted as alleging cause for discipline to VMG's business entity insurance producer license under § 375.141.1(2) for being subject to discipline under § 375.141.3. The AHC found as follows:

- a. Consumers Dana Hollinshed and Josetta Shipps contacted Respondents Glass and VMG for homeowners insurance.<sup>3</sup> Respondents failed to secure an insurer willing to provide coverage for Hollinshed and Shipps within thirty days of the original applications, and failed to immediately inform the consumers of this fact in writing. The AHC found Respondents violated 20 CSR 700-1.140(1)(A), and therefore, are subject to discipline under § 375.141.1(2).
- b. Respondents had collected premiums from consumers Hollinshed and Shipp for homeowners insurance. Respondents neither return the premiums nor

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<sup>2</sup> VMG, as a sole proprietorship owned and operated by Glass, is not a separate legal entity that would be required by 1 CSR 15-3.250 to be represented before the AHC or the Director by a licensed attorney.

<sup>3</sup> The AHC concluded that although Glass and VMG have separate licenses, VMG is not a distinct legal entity separate from Glass, and therefore, the actions of one in conducting insurance business are generally considered the actions of both.

forwarded the premiums to insurers within thirty days of their receipt by Respondents. The AHC found Respondents violated 20 CSR 700-1.140(1)(D), and therefore, are subject to discipline under § 375.141.1(2). Similarly, because Respondents improperly withheld the moneys received in the course of their insurance business, Respondents are subject to discipline under § 375.141.1(4).

- c. The AHC further found that Respondents intentionally caused consumers Hollinshed and Ships to believe they had homeowners insurance when they did not. Because Respondents deceived the consumers, they violated § 375.141(4), and therefore, are subject to discipline under § 375.141.1(2).
- d. Respondents collected a \$100 one-time broker fee from Hollinshed and Shipps, thereby violating § 375.116(4). The AHC found Respondents subject to discipline under § 375.141.1(2).
- e. The AHC also concluded that Respondents demonstrated incompetence, untrustworthiness, and financial irresponsibility in their business dealings with Hollinshed and Shipps, and thus, subject to discipline under § 375.141.1(8)
- f. VMG knew of the violations by Glass, but failed to report the violations or take corrective action, subjecting VMG to discipline under § 375.141.3.

10. On May 11, 2011, the Director mailed separately to Glass and VMG, by certified mail, a notice of the disciplinary hearing set for June 28, 2011. On May 13, 2011, Glass signed for the certified mail for the separate mailings.

11. On May 13, 2011, the AHC certified its record of its proceedings to the Director pursuant to § 621.110.

12. On June 28, 2011, Respondents appeared *pro se* at the disciplinary hearing (the "Hearing") in this matter held at the Department. Andy Heitmann appeared for the Department and recommended revocation of Respondents' licenses. Mary S. Erickson presided as hearing officer at the Hearing.

13. At the Hearing, the hearing officer took judicial notice of the AHC's record of proceedings and admitted it as evidence in the Hearing, among other exhibits.

14. The Director hereby adopts and incorporates the Administrative Hearing Commission's April 7, 2011 Decision, referenced herein, and does hereby find in accordance with the same. *Director of Dep't of Ins., Fin. Insts. & Prof. Reg'n v. VMG & Wendi Ann Glass*, No. 09-1524 DI (Mo. Admin. Hrg. Comm'n April 7, 2011).

### Conclusions of Law

15. Pursuant to §§ 375.141 and 621.110, the Director has the discretion to discipline Glass's insurance producer license and VMG's business entity producer license, including revocation.

16. Based on the nature and severity of the conduct in which Glass engaged, sufficient grounds exist to revoke Glass's insurance producer license pursuant to §§ 375.141.1(2), (4), and (8).

17. Based on the nature and severity of the aforementioned conduct, sufficient grounds exist to revoke VMG's business entity insurance producer license pursuant to §§ 375.141.1(2), (4), and (8), and 375.141.3.

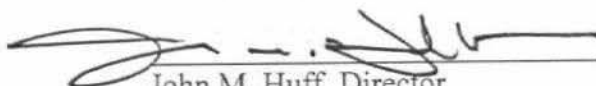
18. This Order is in the public interest.

### ORDER

Based on the evidence presented and the recommendation of the Department to revoke, Glass's insurance producer license (License No. 0357942) and VMG's business entity insurance producer license (License No. 8020862) are hereby **REVOKED**.

SO ORDERED, SIGNED AND OFFICIAL SEAL AFFIXED THIS 22<sup>ND</sup> DAY OF SEPTEMBER, 2011.




  
John M. Huff, Director  
Missouri Department of Insurance,  
Financial Institutions and  
Professional Registration

**CERTIFICATE OF SERVICE**

The undersigned hereby certifies that a true and correct copy of the foregoing was mailed, with sufficient postage attached, via certified mail through the United States Postal Service, certified mail #7008 2810 0000 2014 8694, on this 23rd day of September, 2011 to:

Wendi Ann Glass and VMG  
3836 Parker Road  
Florissant, MO 63033

  
Kathryn Randolph