



DEPARTMENT OF COMMERCE AND INSURANCE

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

IN RE:

PAMELA G. DODSON WALSH

Renewal Applicant.

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Case No. 2312131093C

**ORDER REFUSING TO RENEW AN
INDIVIDUAL INSURANCE PRODUCER LICENSE**

CHLORA LINDLEY-MYERS, Director of the Missouri Department of Commerce and Insurance (“Department”), takes up the above matter for consideration and disposition. After reviewing the Petition, the Investigative Report, and the entirety of the file, the Director issues the following findings of fact, conclusions of law, and order:

FINDINGS OF FACT

1. Pamela G. Dodson Walsh (“Dodson”)¹ held a resident insurance producer license. She has a reported business address and phone number of record of 2977 Highway K, Suite 103, O’Fallon, Missouri 63368, (314) 942-8471, and a residential and mailing address of record of 2113 Asher Court, St. Peters, Missouri 63376.
2. Dodson was licensed by the Department as an individual insurance producer in June of 2019 (license number 8478960; National Producer Number 19205809) until November 19, 2023, when her license expired.

¹ At a subpoena conference at the Department, *see* below, Dodson explained that her maiden name was “Dodson” and that her married name was “Walsh.” Dodson applied to renew her license under her maiden name (the name under which she was first licensed) and explained that she did so because she was not sure how to change her name to her married name with the Department. She confirmed, however, that she now goes by the name “Walsh.” We refer to Dodson as such here because that is the name under which she is currently licensed, and to avoid any confusion with her husband, James E. Walsh III, who is also a licensee.

3. Dodson has worked with her husband, James E. Walsh III (“Walsh”) at J.E. Walsh & Co. LLC, DBA, J. Walsh Insurance (used interchangeably, or “agency”), which has a business address and phone number of record of 2977 Highway K, Suite 103, O’Fallon, Missouri 63368, (314) 942-8471. Walsh is the Designated Responsible Licensed Producer (“DRLP”) for J. Walsh Insurance. A few years ago, Walsh stepped back from the day-to-day business of the agency and turned that over to Dodson, who became Agency Director.
4. As Agency Director, Dodson works with customers and handles quoting and keeping up with renewals and binding the policies. Dodson also processes payments where customers are not set up for direct billing with the insurance company. Clients who were not direct billed would receive an invoice from J. Walsh Insurance and would pay J. Walsh Insurance by check. Dodson is also responsible for transferring funds between various agency bank accounts.
5. On October 19, 2023, the Department received an electronic insurance producer renewal license application from Dodson under the name “Pamela G. Dodson” (“Renewal Application”).

Carrollton Village Condominium Association

6. In July 2023, the Department received a notice of termination for cause for Walsh from Auto-Owners Insurance (“Auto-Owners”).
7. Auto-Owners indicated that it had become aware that J. Walsh Insurance had issued a false or altered bill to the Carrollton Village Condominium Association (“Carrollton Village”), in care of Carrollton Village’s management firm, AMC Management, with a statement date of May 25, 2023, listing an amount due of \$5,694.75. AMC Management had sent the bottom portion of the false bill, along with a check to Auto-Owners, prompting an inquiry by Auto-Owners when it could not locate a corresponding policy.
8. Auto-Owners’ suspicions regarding this bill were raised because it direct bills its insureds and does not rely on insurance producers to bill for its policies. Further, the Carrollton Village “bill” identifies the supposed policy with a 10-digit number, but Auto-Owners only uses 9-digit numbers.
9. Auto-Owners provided various documents to the Department. First, Auto-Owners provided an ACORD Certificate of Property Insurance dated December 13, 2022, ostensibly for Carrollton Village, listing “J Walsh Insurance” as the producer. This certificate lists various insurers: Third Coast Insurance Company, Pennsylvania Manufacturers’ Assoc. Ins. Co., Ace Fire Underwriters Ins. Co., and Liberty

Insurance Underwriters, with effective dates of October 15, 2022, to October 15, 2023. It does not list Auto-Owners.²

10. Auto-Owners also provided another false “Invoice” to Carrollton Village from “J.E. Walsh & Co. LLC,” dated April 17, 2023, with the total amount due listed as \$34,168.50. Auto-Owners indicated that this invoice was false because, 1) Auto-Owners has no contractual relationship with J.E. Walsh & Co. LLC, 2) Auto-Owners renews policies with the same policy number and not “TBD” as noted on the invoice, 3) the invoice was for policy renewal for the period of October 15, 2022 to October 15, 2023, but no such policy exists, and 4) the payment was to be made to “J.E. Walsh & Co. LLC” even though, as noted, Auto-Owners direct bills its insureds.
11. Auto-Owners also provided an altered proposal for Carrollton Village dated April 14, 2023, which purports to be a policy effective from October 15, 2022, to October 15, 2023. This “policy” shows the business address and phone number of record for J. Walsh Insurance and lists the email address jim@jwalshinsurance.com, even though Auto-Owners does not include email addresses on its policies. The “policy” lists Owners Insurance Company (“Owners”)³ as the insurer.
12. Auto-Owners was ultimately unable to locate any Auto-Owners insurance policy for Carrollton Village.

Parkside Condominium Association

13. In its (fruitless) search for a Carrollton Village policy, Auto-Owners searched all its policies for all properties managed by AMC Management, and, in the process, unearthed documentation purporting to show Auto-Owners insurance coverage for the Parkside Condominium Association (“Parkside”).
14. Auto-Owners provided to the Department an ACORD Certificate of Property Insurance dated January 25, 2023, and showing Owners and Federal Insurance Company providing insurance coverage to Parkside for the policy period from December 1, 2022, to December 1, 2023. The listed producer is “J Walsh Insurance.”⁴

² In a complaint to the Department, Carrollton Village provided this same certificate of insurance and another purported ACORD Certificate of Insurance dated December 16, 2021, for coverage from October 15, 2021, to October 15, 2022. This 2021 certificate of insurance lists the same insurers as the 2022 certificate of insurance, but it does not list Auto-Owners.

³ Owners Insurance Company is part of the Auto-Owners Insurance Group of companies.

⁴ In a complaint to the Department, Parkside provided this same certificate of insurance and another purported ACORD Certificate of Insurance dated December 13, 2021, for coverage from December 1, 2021, to December 1, 2022. This 2021 certificate of insurance lists Country Mutual Insurance and Federal Insurance Company, but it does not list Auto-Owners.

15. Auto-Owners also provided an altered proposal for Parkside dated April 12, 2023, which purports to be a policy effective from December 1, 2022, to December 1, 2023. The “policy” shows the business address and phone number of record for J.E. Walsh & Co. LLC and lists the email address jim@jwalshinsurance.com, even though Auto-Owners does not include email addresses on its policies.
16. Auto-Owners was ultimately unable to locate any Auto-Owners insurance policy for Parkside.
17. The Department also received copies of several false bills for Parkside. Parkside received an “Invoice” dated November 6, 2021, for \$6,925.00 that indicated that checks should be made payable to J.E. Walsh & Co. LLC. Parkside also received an “Invoice” dated April 16, 2023, for \$59,088.75 that also indicated that checks should be made payable to J.E. Walsh & Co. LLC.
18. Parkside received a purported Auto-Owners bill dated May 25, 2023. The statement has a 10-digit account number and shows an amount due of \$11,817.75. As noted, Auto-Owners does not have producers bill or invoice its policyholders; rather, Auto-Owners direct bills its policyholders. Further, as noted, Auto-Owners uses 9-digit account numbers, not 10-digit account numbers.

Walsh’s explanations to Auto-Owners

19. In August 2023, Walsh emailed Auto-Owners regarding these non-existent policies. Walsh maintained that AMC Management had written various checks to J. Walsh Insurance for different amounts for several condominium associations under its management, to include Carrollton Village and Parkside. In support, Walsh provided a Commerce Bank deposit slip showing deposits on April 25, 2023, into an account ending in 5720 totaling \$168,633.09. Walsh also provided a portion of a bank statement purporting to show that the exact amount of the checks AMC Management wrote for Carrollton Village and Parkside, among others, was debited from Walsh’s account and paid to Auto-Owners on May 1, 2023.⁵
20. Walsh also included a copy of a June 29, 2023, email, purportedly to Dodson from Misty McKinzie (“McKinzie”) with Auto-Owners,⁶ that indicated, “[y]es, as we discussed, we have had major problems with our billing and client portals with the

⁵ The five individual alleged payments from J. Walsh Insurance to Auto-Owners were for the following dollar amounts for the following condominium associations: \$8,295.00 (Somerset Place Condominium Association (“Somerset Place”)), \$59,088.75 (Parkside), \$19,875.00 (Woodland Crossing Condominium Association (“Woodland Crossing”)), \$11,518.75 (Oakland Place Condominium Association (“Oakland Place”)), and \$34,168.50 (Carrollton Village), for a total of \$132,946.00. The purported partial bank statement also shows one unrelated deposit and two unrelated debits to Amwins.

⁶ McKinzie’s email address was listed as mckinzie.misty@aoins.com.

transfer from our old software to our new software” and that “Carrollton [sic] Village Condominium Association is in force and in good standing with Auto Owners [sic].” Walsh also claimed that Misty could verify that it was possible to change the address and phone number on valid policies through Auto-Owners’ computer system because she (McKinzie) put the J. Walsh Insurance address and phone number on the policies so that Walsh could better serve his customers.

21. Auto-Owners searched for the payments purportedly shown by Walsh’s partial bank statement but was unable to locate any such payments from Walsh or J. Walsh Insurance to Auto-Owners.

August 2023 Department inquiry letter – Carrollton Village and Parkside

22. On August 17, 2023, Kelley Dawley (“Dawley”), a Special Investigator with the Department’s Consumer Affairs Division (“Division”) sent an inquiry letter to James E. Walsh III and J.E. Walsh & Co. LLC DBA J. Walsh Insurance at Walsh’s home address of record, 2113 Asher Court, St. Peters, Missouri 63376. Dawley indicated that she was writing regarding an invoice sent to Carrollton Village and an altered proposal for Parkside. Dawley asked Walsh to provide a detailed letter of explanation regarding the allegations and his entire agency file for both Carrollton Village and Parkside. Dawley indicated that Walsh’s response was due in twenty days, and that a failure to respond could be a violation of law and grounds for license discipline.
23. On or about September 22, 2023, Dodson responded, through counsel, to Dawley’s inquiries to Walsh. Dodson indicated that she had been ill in 2022 and thought the policies in question had been issued. When she found out the policies had not been issued, she indicated that Auto-Owners had renewed the policies with a no loss letter and she claimed that Auto-Owners had gotten paid via ACH debit.⁷ Dodson attached a list of five alleged ACH debits, all on May 1, 2023, to Auto-Owners for a total of \$132,946.00.⁸

⁷ “The Automated Clearing House Network, ACH Network, is a nationwide electronic funds transfer system that provides for the interbank clearing of electronic payments.” *F.T.C. v. Global Marketing Group, Inc.*, 594 F.Supp. 1281, 1285 n. 3 (M.D. Fla. 2008); *see also Allsup, Inc. v. Advantage 2000 Consultants, Inc.*, 428 F.3d 1135, 1137 (8th Cir. 2005) (“ACH services are commonly deployed to effectuate a wide variety of automatic deposits and withdrawals, including payroll deposits, payments of utilities and other bills, and electronic funds transfers.”). ACH electronic debits are variously referred to herein as ACH debits, electronic debits, and the like, and such terms are used interchangeably.

⁸ This list of alleged payments to Auto-Owners was identical to the list Walsh had provided to Auto-Owners previously. Again, the five individual alleged ACH debits were for the following dollar amounts for the following condominium associations: \$8,295.00 (Somerset Place), \$59,088.75 (Parkside), \$19,875.00 (Woodland Crossing), \$11,518.75 (Oakland Place), and \$34,168.50 (Carrollton Village). The purported partial bank statement also showed one unrelated deposit and two unrelated debits to Amwins.

24. Dodson also maintained that Auto-Owners had done software updates during this time frame, and that this, too, had caused problems with policies being issued.
25. In support of her claim that the Carrollton Village and Parkside policies, among other condominium association policies, had been issued, Dodson pointed to July 21, 2023, emails, purportedly from Dodson to underwriter McKinzie, and McKinzie's alleged response. In her email to McKinzie, Dodson inquired about various bills and policies. While McKinzie had previously written from the email address misty.mckinzie@aoins.com, Dodson addressed her email to McKinzie to "mckinzie.mis e@aoins.com."
26. McKinzie supposedly responded to Dodson's email, explaining that "the below accounts you mentioned are in the process of be automated [sic] into our new system. I will let you know when this has been completed."⁹
27. Auto-Owners was unable to locate any such emails and denied having updated its software during the relevant timeframe.

Division investigation – Commerce Bank records

28. On August 28, 2023, the Director subpoenaed various bank records from Commerce Bank. In particular, the Director sought signature cards and bank statements for the account number ending in 5720,¹⁰ bank account name J.E. Walsh & Co. LLC and/or James E. Walsh III for the months of January 2022 through August 2023. The subpoena duces tecum also sought signature cards and bank records for any additional accounts in Walsh's name or in the name of the agency, also from January 2022 through August 2023.
29. On or about September 8, 2023, Commerce Bank responded to the Department's subpoena and provided signature cards and bank statements for ten accounts for J.E. Walsh & Co. LLC and/or James E. Walsh III for the months of January 2022 through August 2023, to include bank statements for the account number ending in 5720 (the agency's premium trust account), the account number ending in 6866 (the agency payroll account), and the account number ending in 6733 (the agency account for general expenses).¹¹ These records were accompanied by a business records affidavit signed by the Custodian of Records for Commerce Bank.

⁹ In the email, purportedly to McKinzie, Dodson listed the following policies: Carrollton Village, Oakland Place, Woodland Crossing, Parkside Condominiums, Somerset Place, and Sherwood Place.

¹⁰ Walsh and Dodson indicated that this was the premium trust account for J.E. Walsh & Co. LLC.

¹¹ During his subpoena conference, Walsh indicated that this last account (ending in 6733) was their "main account for doing business."

30. On September 18, 2023, Dawley forwarded, via email, the certified business records that she had received from Commerce Bank to Dodson and Walsh's attorney, Robert Tucker.

Sherwood Place and Autumn Lakes Condominium Associations

31. Sherwood Place Condominium Association ("Sherwood Place") also procured what it believed to be Auto-Owners insurance through J. Walsh Insurance and received an ACORD Certificate of Insurance dated December 6, 2022, listing Owners and Federal Insurance Company as the insurer.
32. Sherwood Place also received a purported policy dated April 12, 2023, listing J. Walsh Insurance's address and phone number of record, showing coverage from November 10, 2022, to November 10, 2023. Ultimately, though, Auto-Owners could not locate a policy for Sherwood Place.
33. The Department received copies of several false bills for Sherwood Place. Sherwood Place received an "Invoice" dated November 8, 2022, with an amount due of \$5,303.00. The "Invoice" indicated that checks should be made payable to J.E. Walsh & Co. LLC. Another Sherwood Place bill, with a statement date of March 21, 2023, showed a 7-digit account number and an amount due of \$13,413.00. Finally, Sherwood Place received a bill with a statement date of June 21, 2023, and an amount due of \$13,413.00. This statement also showed a 7-digit account number.
34. These bills were false because, as noted, Auto-Owners direct bills its insureds and does not have producers generate bills, Auto-Owners uses 9-digit account numbers, not 7-digit account numbers, and Auto-Owners did not have a policy for Sherwood Place.
35. On or about August 30, 2023, the Department received a complaint regarding Walsh and Autumn Lakes Condominium Association ("Autumn Lakes").
36. On August 24, 2023, Autumn Lakes, through an insurance broker, inquired of CIBA Insurance Services ("CIBA") whether Autumn Lakes' policy was in force. Autumn Lakes had received a purported policy, number BIP-9T628972, with J. Walsh Insurance listed as the producer, that was supposedly in effect from November 1, 2022, to November 1, 2023. The total premium on this policy exceeded \$180,000.00.
37. In response, CIBA indicated that it had no record of this purported Autumn Lakes policy being issued and that, in fact, it was fake and forged.

Subpoena conferences

38. In October 2023, the Director subpoenaed Dodson and Walsh to appear at the Department on November 2, 2023, pursuant to § 374.190¹² to answer questions about business practices and insurance related to various condominium associations, to include Carrollton Village and Parkside, among others.
39. On November 2, 2023, Dodson and Walsh appeared at the office of the Department for separate subpoena conferences. Each appeared with attorney Robert Tucker; an oath was administered to each of them, and both Dodson and Walsh agreed to tell the truth.
40. During his conference, Walsh attributed the problems with the Carrollton Village and Parkside insurance policies, among others, not being issued, to Dodson missing various deadlines and details in late 2022 due to her health issues. He reiterated that Auto-Owners had gotten a new computer system, and that caused issues, as did what Walsh described as Auto-Owners' poor customer service. He maintained that J. Walsh Insurance had paid Auto-Owners via various ACH debits, and that a copy of the bank statement from his trust account, account number ending in 5720, that his attorney provided during the conference proved it.
41. During her conference, Dodson indicated that during late 2022, she was having health issues, and, as a result, various policies did not get issued. She also pointed to confusion and errors flowing from Auto-Owners' alleged transition to new computer software.
42. Dodson also provided an exhibit, Exhibit B, though counsel, that purported to be a May 2023 bank statement from Commerce Bank that Dodson said she printed in June of 2023. Exhibit B purports to show various ACH debits from the trust account, account number 5720, for various condominium associations. These debits match the debits on the list of debits that Walsh provided in his initial response to the allegations from Auto-Owners regarding the non-existent Carrollton Village and Parkside policies and the list that Dodson provided in response to Dawley's first inquiry letter. *See* notes 5 and 8, above.
43. As revealed during Dodson's subpoena conference, Exhibit B, which purports to be a copy of the May 2023 bank statement for the trust account, and the May 2023 bank statement that Commerce Bank provided to the Department, along with a business records affidavit, do not match. The bank's certified records and Dodson's Exhibit B differ in some of the following respects:

¹² This and all further statutory references are to RSMo 2016 unless otherwise noted.

- Unlike as between the certified bank statements from May and June 2023, the Ending Balance on Exhibit B on May 31, 2023, under the Account Summary is nowhere close to the number for the Beginning Balance on June 1, 2023, on the certified June 2023, statement.
 - Certain debits on the certified May 2023 statement have been removed from the Withdrawals & Other Debits portion of the statement on Exhibit B.
 - Certain debits have been added to the Withdrawals & Other Debits portion of the statement on Exhibit B that are not on the certified May 2023 statement. Specifically, ACH debits to Auto-Owners for various condominium associations have been added to Exhibit B; the payments for each association are indicated with handwritten annotations. The alleged debits were for Oakland Place (\$11,518.75), Carrollton (\$34,168.50); Somerset Place (\$8,295.00); Parkside (\$59,088.75); and Woodland Crossing (\$19,875.00).
 - Unlike the certified bank statement, the page break for Exhibit B, page 3, appears after the added ACH entries, about a quarter of the way down the page, as opposed to at the top of the page where the other page breaks are and where page breaks are on the certified statement.
 - When comparing the certified bank statement versus Exhibit B, the dollar value for the Withdrawals & Other Debits in the Account Summary section does not match.
44. When confronted with the differences in her Exhibit B and the certified bank statement for May 2023, Dodson could not explain the discrepancies, though she indicated that she would follow up with her bank to get answers.
45. Dodson agreed that the certified August 2023 bank statement for the trust account ending in 5720 showed an ending balance of \$11,820.43.
46. After the subpoena conference, on November 10, 2023, Dodson provided an undated letter, purportedly from Lisa Herrmann, Assistant Branch Manager, Commerce Bank, to explain the discrepancies as between the certified May 2023 bank statement and Exhibit B. The letter explained, “[t]he discrepancy happened as it was processing on 4/30/2023 but posted on 05/01/2023.” The letter also listed the five ACH debits listed on Dodson’s Exhibit B and indicated that those “ACH debits were presented to commerce bank [sic] and paid on 05/01/2023.” The letter also indicated that certified bank records so demonstrating would be provided.
47. On November 29, 2023, Lisa Herrmann signed an affidavit indicating, among other things, that she did not produce, provide, or sign the letter that Dodson provided to

the Department to explain the discrepancies in the bank statement Dodson provided (Exhibit B) versus the May 2023 bank statement certified as a business record by the custodian of records for Commerce Bank.

48. Contrary to the statement in the false Lisa Herrmann letter, the bank never provided bank records showing the supposed legitimacy of Dodson's Exhibit B and the alleged ACH debits listed there to the Department. Similarly, Dodson has not provided any such records to the Department either.

Further Division investigation – Carriage Courts Homeowners Association; additional Commerce Bank records

49. On October 31, 2023, Auto-Owners provided Dawley an ACORD Certificate of Property Insurance dated November 18, 2022, for Carriage Courts Homeowners Association ("Carriage Courts") listing Owners Insurance and Federal Insurance with effective dates from November 18, 2022, to November 18, 2023. The certificate lists J. Walsh Insurance as the producer even though Auto-Owners had no contractual relationship with Walsh. Auto-Owners did not issue a policy to Carriage Courts.
50. Auto-Owners also provided an altered bill with a January 16, 2023, statement date and an amount due of \$6,444.83. The invoice lists a 7-digit account number but as noted, Auto-Owners uses 9-digit, not 7-digit, account numbers. Auto-Owners indicated that the number is not legitimate.
51. In December 2023, the Department subpoenaed additional bank records for the agency's premium trust account at Commerce Bank (account number ending in 5720). Those records show a closing balance of \$90,309.11 on November 30, 2023. This amount is insufficient to cover the outstanding balance of \$132,946.00 that Dodson falsely represented was remitted to Auto-Owners for the condominium association policies for Carrollton Village, Oakland Place, Somerset Place, Woodland Crossing and Parkside. *See* notes 5 and 8, above.
52. Additional certified bank records from Commerce Bank show two transfers from the agency's premium account (account number ending in 5720) to the agency's payroll account, also at Commerce Bank (account number ending in 6866). The transfers occurred on or about October 5, 2023, in the amount of \$20,000.00 and on or about October 6, 2023, in the amount of \$28,000.00. On November 20, 2023, there was another transfer out of account number 5720 to account number 6733 (the agency account for general expenses) in the amount of \$15,000.00. These transfers reduced the amount of money available in the premium trust account to refund the condominium associations.

Sunset Acres Condominium Association and the November and December 2023 Department inquiry letters

53. On November 13, 2023, the Department received a complaint from the Sunset Acres Condominium Association (“Sunset Acres”) through its attorney. The complaint alleged failure to place coverage for the association and delays in providing loss runs.
54. On November 16, 2023, Dawley sent an inquiry letter to Dodson, Walsh, and J.E. Walsh and Co. LLC DBA J. Walsh Insurance. Dawley sent the letter to Dodson and Walsh’s home address of record, 2113 Asher Court, St. Peters, Missouri 63376, which address they each individually confirmed during their November 2, 2023, subpoena conferences.
55. Dawley’s letter to Dodson and Walsh enclosed the Sunset Acres complaint. Dawley requested a detailed letter of explanation regarding the allegations, indicated that any response was due in twenty days, and noted that “failure to respond could result in disciplinary action by this Department.”
56. The November 16, 2023, inquiry letter was not returned to the Division as undeliverable, so it is presumed that Dodson received it.
57. On December 18, 2023, Dawley sent an email to Walsh at jim@jwalshinsurance.com, and to Dodson at pam@jwalshinsurance.com, seeking a response to her inquiry and indicating that any such response was already overdue.
58. Also on December 18, 2023, Dawley sent another inquiry letter to Dodson, Walsh, and J.E. Walsh and Co. LLC DBA J. Walsh Insurance. Dawley again sent the letter to Dodson and Walsh’s home address, which they confirmed during their subpoena conferences. Dawley again referenced the Sunset Acres complaint and asked for a detailed letter of explanation regarding the allegations. Dawley indicated that any response was due within twenty days, and that “[f]ailure to respond could result in disciplinary action by this Department.”
59. The December 18, 2023, inquiry letter was not returned to the Division as undeliverable, so it is presumed that Dodson received it.
60. Dodson did not respond to the November 26, 2023, inquiry letter and she did not demonstrate reasonable justification for any delay.
61. Dodson did not respond to the December 18, 2023, inquiry letter and she did not demonstrate reasonable justification for any delay.

CONCLUSIONS OF LAW

62. Section 375.141 states, in relevant part:

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;

* * *

(4) Improperly withholding, misappropriating or converting any moneys or properties received in the course of doing insurance business;

(5) Intentionally misrepresenting the terms of an actual or proposed insurance contract or application for insurance; [or]

* * *

(8) Using fraudulent, coercive, or dishonest practices, or demonstrating incompetence, untrustworthiness or financial irresponsibility in the conduct of business in this state or elsewhere[.]

63. Section 374.210.1 states, in relevant part:

It is unlawful for any person in any investigation, examination, inquiry, or other proceeding under this chapter, chapter 354, and chapters 375 to 385, to:

(1) Knowingly make or cause to be made a false statement upon oath or affirmation or in any record that is submitted to the director or used in any proceeding under this chapter, chapter 354, and chapters 375 to 385[.]

64. Section 375.144 states:

It is unlawful for any person, in connection with the offer, sale, solicitation or negotiation of insurance, directly or indirectly, to:

(1) Employ any deception, device, scheme, or artifice to defraud;

- (2) As to any material fact, make or use any misrepresentation, concealment, or suppression;
- (3) Engage in any pattern or practice of making any false statement of material fact; or
- (4) Engage in any act, practice, or course of business which operates as a fraud or deceit upon any person.

65. Section 375.934 provides:

It is an unfair trade practice for any insurer to commit any practice defined in section 375.936 if:

- (1) It is committed in conscious disregard of sections 375.930 to 375.948 or of any rules promulgated under sections 375.930 to 375.948; or
- (2) It has been committed with such frequency to indicate a general business practice to engage in that type of conduct.

66. Section 375.936(7) provides:

Any of the following trade practices, if committed in violation of section 375.934, are hereby defined as unfair trade practices in the business of insurance:

* * *

(7) “Misrepresentation in insurance applications”, making false or fraudulent statements or representations on or relative to an application for a policy, for the purpose of obtaining a fee, commission, money, or other benefit from any insurer, agent, agency, broker or other person[.]

67. The Director’s regulation regarding inquiry letters, 20 CSR 100-4.100(2)(A), provides as follows:

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 determines the date of mailing. When the requested response is not produced by the person within twenty (20) days, this nonproduction is deemed a violation of this rule, unless the person can demonstrate that there is reasonable justification for that delay[.]

68. “There is a presumption that a letter duly mailed has been received by the addressee.” *Clear v. Missouri Coordinating Bd. for Higher Educ.*, 23 S.W.3d 896, 900 (Mo. App., E.D. 2000) (internal citations omitted).
69. The Director may refuse to renew Dodson’s resident insurance producer license under § 375.141.1(2) because Dodson violated a regulation of the Director, 20 CSR 100-4.100(2)(A), in that Dodson failed to respond to two inquiry letters from November 16 and December 18, 2023, and she did not provide reasonable justification for any delay.
70. Each violation of a regulation of the Director constitutes separate and sufficient grounds for the Director to refuse to renew Dodson’s resident insurance producer license under § 375.141.1(2).
71. The Director may refuse to renew Dodson’s resident insurance producer license under § 375.141.1(2) because Dodson violated an insurance law, § 374.210.1, in that Dodson knowingly made a false statement upon oath or affirmation in a record that she submitted to the Department, through her counsel, when she offered Exhibit B, an altered Commerce Bank statement for May 2023 for the business trust account, account number ending in 5720. Dodson’s Exhibit B did not match the certified May 2023 bank statement for that account in significant respects. Most notably, Exhibit B showed numerous ACH debits from the account ending in 5720 to Auto-Owners for insurance policies for various condominium associations that simply did not occur. Dodson offered the false Exhibit B during her subpoena conference and did so knowingly because she tried to convince the Department that her version of the May 2023 bank statement was correct by later providing a false letter from Commerce Bank indicating that the ACH debits had occurred.
72. The Director may refuse to renew Dodson’s resident insurance producer license under § 375.141.1(2) because Dodson violated an insurance law, § 375.144(1), in that Dodson, in connection with the offer, sale, solicitation or negotiation of insurance, directly or indirectly, employed any deception, device, scheme, or artifice to defraud. Particularly, Dodson provided false certificates of insurance and false policies to various condominium associations, which she used, in conjunction with false billing statements, to collect premium for policies that she did not procure for the condominium associations.
73. The Director may refuse to renew Dodson’s resident insurance producer license under § 375.141.1(2) because Dodson violated an insurance law, § 375.144(2), in that Dodson, in connection with the offer, sale, solicitation or negotiation of insurance, directly or indirectly, made or used any misrepresentation, concealment, or suppression as to any material fact. Particularly, Dodson misrepresented that payments were due on non-existent policies; she concealed the fact that such

policies did not exist through false emails that purported to come from insurance company representatives.

74. The Director may refuse to renew Dodson's resident insurance producer license under § 375.141.1(2) because Dodson violated an insurance law, § 375.144(3), in that Dodson, in connection with the offer, sale, solicitation or negotiation of insurance, directly or indirectly, engaged in any pattern or practice of making any false statement of material fact. Particularly, Dodson provided false certificates of insurance, false policies, and false billings to numerous condominium associations.
75. The Director may refuse to renew Dodson's resident insurance producer license under § 375.141.1(2) because Dodson violated an insurance law, § 375.144(4), in that Dodson, in connection with the offer, sale, solicitation or negotiation of insurance, directly or indirectly, engaged in any act, practice, or course of business which operates as a fraud or deceit upon any person. Particularly, Dodson provided false certificates of insurance, false policies, and false billing statements to numerous condominium associations and their representatives, and those actions operated as a fraud or deceit upon those associations and their representatives who believed that the associations had insurance coverage when, in fact, they did not because Dodson did not procure such coverage for them.
76. The Director may refuse to renew Dodson's resident insurance producer license because Dodson committed an unfair trade practice under § 375.936(7), in violation of § 375.934, which constitutes grounds under § 375.141.1(2) for violation of insurance laws, in that Dodson engaged in the unfair trade practice of misrepresentation in insurance applications as defined in § 375.936(7) by making false or fraudulent statements or representations on or relative to an application for a policy, for the purpose of obtaining a fee, commission, money, or other benefit from any insurer, agent, agency, broker or other person when she used false certificates of insurance, false policies, and false billings for and to multiple condominium associations, and used forged bank documents that she tried to pass off as genuine to show alleged ACH debits to insurance companies when, in fact, premium payments made by the condominium associations were never sent to the insurance companies.
77. Each violation of an insurance law constitutes separate and sufficient grounds for the Director to refuse to renew Dodson's resident insurance producer license under § 375.141.1(2).
78. The Director may refuse to renew Dodson's resident insurance producer license under § 375.141.1(4) because Dodson improperly withheld, misappropriated, or converted any moneys or properties received in the course of doing insurance business, in that Dodson received premium payments from various condominium associations (Somerset Place, Parkside, Woodland Crossing, Oakland Place,

Carrollton Village, Sherwood Place, and Carriage Courts), but Dodson did not forward those moneys to the insurance companies and policies, consequently, were not placed. Instead, Dodson misappropriated and converted those funds to a use other than for condominium association insurance as evidenced by the fact that on the August 2023, the certified bank statement for the business trust account (account number ending in 5720) showed an ending balance of \$11,820.43 – not nearly enough to reimburse the associations for insurance premium payments, totaling \$132,946.00, that were never provided to the insurance companies (such that insurance was never procured). Likewise, the certified November 2023 bank statement shows the closing balance in the trust account was \$90,309.11 – still not enough to reimburse the associations for insurance they paid for, but never received. Indeed, between October 2023 and November 2023, Dodson – who handled the transfers between the Commerce Bank accounts – transferred a total of \$63,000.00 from the business’s trust account to other agency accounts, thereby reducing the money available in the trust account to reimburse the condominium associations for payments they made for insurance that they never received.

79. The Director may refuse to renew Dodson’s resident insurance producer license under § 375.141.1(5) because Dodson intentionally misrepresented the terms of an actual or proposed insurance contract or application for insurance, in that Dodson provided false certificates of property insurance for Carrollton Village, Parkside, Sherwood Place, and Carriage Courts, and provided false policy documents for Carrollton Village, Parkside, Sherwood Place, and Autumn Lakes.
80. Each time Dodson intentionally misrepresented the terms of an actual or proposed insurance contract or application for insurance constitutes separate and sufficient grounds for the Director to refuse to renew Dodson’s resident insurance producer license under § 375.141.1(5).
81. The Director may refuse to renew Dodson’s resident insurance producer license under § 375.141.1(8) because Dodson used fraudulent, coercive, or dishonest practices, or demonstrated incompetence, untrustworthiness, or financial irresponsibility in the conduct of business in this state or elsewhere, in that Dodson used false certificates of insurance, false policies, and false bills and invoices to try to convince various condominium associations that she had procured insurance coverage for them when, in fact, she had not done so; she used fake emails to distract and delay the condominium associations from discovering what she had done, and she used false bank documents to attempt to deceive her state regulator into thinking that she sent premium payments to the insurance companies when, in fact, she had not done so.
82. The above-described instances are grounds upon which the Director may refuse to renew Dodson’s resident insurance producer license.

- 83. The Director has considered Dodson’s history and all the circumstances surrounding Dodson’s Renewal Application. Renewing Dodson’s individual insurance producer license would not be in the interest of the public. Accordingly, the Director exercises her discretion to refuse to renew Dodson’s resident insurance producer license.
- 84. This Order is in the public interest.

ORDER

IT IS THEREFORE ORDERED that the resident individual insurance producer license Renewal Application of **Pamela G. Dodson Walsh** is hereby **REFUSED**.

SO ORDERED.

WITNESS MY HAND THIS 04th DAY OF APRIL 2024.



Chlora Lindley Myers
CHLORA LINDLEY-MYERS
DIRECTOR

NOTICE

TO: Applicant and any unnamed persons aggrieved by this Order:

You may request a hearing in this matter. You may do so by filing a complaint with the Administrative Hearing Commission of Missouri, P.O. Box 1557, Jefferson City, Missouri, within 30 days after the mailing of this notice pursuant to Section 621.120, RSMo. Pursuant to 1 CSR 15-3.290, unless you send your complaint by registered or certified mail, it will not be considered filed until the Administrative Hearing Commission receives it.

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CERTIFICATE OF SERVICE

I hereby certify that on this 4th day of April 2024, a copy of the foregoing Order and Notice was served upon the Renewal Applicant in this matter by United Parcel Service (UPS), with signature required, at the following addresses:

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Counsel for Pamela G. Dodson Walsh
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