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COMMONWEALTH OF MASSACHUSETTS
Office of Consumer Affairs and Business Regulation
DIVISION OF INSURANCE

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COMMISSIONER OF INSURANCE

July 9, 2015

Laura Anne Hansen
Capital Tours, Inc.
200 Merrimack Street, Suite 401
Haverhill, MA 01830

RE: Capital Tours, Inc.
SIU Investigation Case #9070

Dear Ms. Hansen:

I represent the Massachusetts Division of Insurance (“Division”) with regard to the above-captioned investigation. The Division has cause to believe that Capital Tours, Inc. (“CTI”) violated the Massachusetts insurance laws as set forth below.

According to Division licensing records, CTI allowed its Massachusetts business entity insurance producer license to lapse on February 10, 2014 and sold insurance in Massachusetts from that time until a new business entity insurance producer license was issued on April 6, 2015. The Division alleges that CTI wrote or renewed 261 Massachusetts insurance policies during the unlicensed period, resulting in a cumulative commission of \$3,695.58. CTI stated that a representative from Travel Guard, the company for whom CTI sold insurance, informed it that CTI did not need a producer license in order to sell Travel Guard products.

The Division alleges that CTI committed at least 261 violations of M.G.L. c.175, §§162I and 174. The penalty for each violation is a fine of not less than ten nor more than one hundred dollars. The Division also alleges that each violation of M.G.L. c. 175, § 174 is a violation of M.G.L. c. 175, §162R(a)(2). The penalty for each violation of M.G.L. c. 175, § 162R(a)(2) is a fine of not more than \$1,000.00 pursuant to M.G.L. c. 176D, § 7 and having the agency’s Massachusetts business entity insurance producer license placed on probation, suspended or revoked.

The Division is authorized to issue an order requiring CTI to show cause why it should not be made to cease and desist from the above-alleged conduct. If, after a public hearing, the Commissioner of Insurance finds that CTI did commit the alleged violations, CTI may be liable for fines up to the

amounts listed above and having its Massachusetts business entity insurance producer license placed on probation, suspended or revoked.

The Division proposes to resolve this matter through a settlement if CTI agrees to waive the right to a public hearing, agrees to cease and desist from the above-alleged conduct, and to pay a fine of **\$250.00**. If CTI chooses to accept the Division's offer, please have an authorized individual sign this settlement letter where indicated below, and return it to my attention along with a check made payable to the Commonwealth of Massachusetts on or before **August 5, 2015**.

The Division considers the acceptance of this settlement to constitute a reportable administrative event which should be included on CTI's next Massachusetts license renewal application. CTI also may be required to report this action in other jurisdictions where CTI holds an insurance producer license. This Agreement shall be construed under and governed by the laws of the Commonwealth of Massachusetts.

If this matter is not resolved by **August 5, 2015**, the Division will file its Order to Show Cause and will notify CTI of the hearing date in accordance with applicable statutory notice requirements and procedures.

Thank you for your prompt attention to this matter. Should you have any questions or wish to discuss this matter further, please contact me at (617) 521-7364.

Sincerely,

Mary Ellen Thompson
Counsel to the Commissioner
Commonwealth of Massachusetts
Division of Insurance
1000 Washington Street, Suite 810
Boston, Massachusetts 02118

Signed: Authorized Representative of:
Capital Tours, Inc.

By: Mary Ellen Thompson
Counsel to the Commissioner

Name: _____

Signature: _____

Title: _____

Date: _____

Date: _____