



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

1000 Washington Street • Suite 810 • Boston, MA 02118-6200  
(617) 521-7794 • FAX (617) 521-7475  
<http://www.mass.gov/doi>

CHARLES D. BAKER  
GOVERNOR

KARYN E. POLITO  
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JAY ASH  
SECRETARY OF HOUSING AND  
ECONOMIC DEVELOPMENT

JOHN C. CHAPMAN  
UNDERSECRETARY

DANIEL R. JUDSON  
COMMISSIONER OF INSURANCE

November 30, 2016

Rider Risk Specialists Insurance Agency, Inc.  
C/O Melanie Rider  
50 Rte 28A  
P.O. Box 115  
Cataumet, MA 02534

RE: Rider Risk Specialists Insurance Agency, Inc.– Massachusetts License No. 1904145  
SIU Investigation No. 9257

**VIA FIRST CLASS MAIL & E-MAIL**

Dear Ms.Rider:

I represent the Massachusetts Division of Insurance (“Division”) with regard to the above-captioned investigation. Pursuant to an investigation conducted by the Division’s Special Investigations Unit, the Division has cause to believe that Rider Risk Specialists Insurance Agency, Inc. violated the Massachusetts insurance laws set forth below by the conduct detailed in this settlement letter.

This case was opened on June 1, 2016, after the Division discovered that Rider Risk Specialists Insurance Agency, Inc. was involuntarily dissolved by the Secretary of the Commonwealth on or about June 30, 2014. The dissolution of the business entity was not reported to the Division of Insurance.

The conduct described above is evidence of the following violations:

M.G.L. c. 175, § 174 . . . [t]he clerk or other corresponding officer [of the corporation] shall . . . at once notify the commissioner in writing in case of the dissolution of the corporation. Upon receipt of such notice, the commissioner shall forthwith revoke its license without a hearing. Whoever . . . fails to notify the commissioner of the dissolution of the corporation . . . or whoever . . . acts under said license after the dissolution of such corporation, shall be punished by a fine not less than twenty nor more than five hundred dollars.

M.G.L. c. 175, § 162R (a)(2) . . . [t]he commissioner may place on probation, suspend, revoke or refuse to issue or renew an insurance producer’s license or may levy a civil penalty for . . . violating any insurance laws. Additionally, a violation is punishable by a fine up to one thousand dollars.  
M.G.L. c. 176D, § 7.

M.G.L. c. 176D, §2 – No person shall engage in this commonwealth in any trade practice which is defined in this chapter as, or determined pursuant to section six of this chapter to be, an unfair method of competition or an unfair or deceptive act or practice in the business of insurance. A violation is punishable by a fine up to one thousand dollars. M.G.L. c. 176D, § 7.

The Division is authorized to (1) revoke Rider Risk Specialists Insurance Agency, Inc's license without a hearing; or (2) issue an order requiring you to show cause why Rider Risk Specialists Insurance Agency, Inc. should not be made to cease and desist from the above alleged conduct. In connection with the latter, if, after a public hearing, the Commissioner of Insurance finds that Rider Risk Specialists Insurance Agency, Inc. did commit the alleged violations, he may impose a fine up to the amounts listed above and order that your Massachusetts Insurance Producer License be placed on probation, suspended or revoked.

The Division proposes to resolve this matter through a settlement if you agree to waive the right to a public hearing, agree to cease and desist from the above-alleged conduct and agree to pay a **fine of \$2,500.00**. If you choose to accept the Division's offer, please have an authorized individual sign this settlement letter where provided below and return it to my attention along with a check made payable to the Commonwealth of Massachusetts, no later than **December 22, 2016**.

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

Although this correspondence does not constitute the required statutory notice of a public hearing, if this matter is not resolved by **December 22, 2016**, the Division intends to file its Order to Show Cause and will notify you of the hearing date.

Thank you for your prompt attention to this matter. Should you have any questions or wish to discuss this matter further, I may be reached at (617) 521-7471 or Scott.Peary@state.ma.us.

Sincerely,

Scott J. Peary  
Chief Enforcement Counsel

Enclosure



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**SETTLEMENT AGREEMENT**

This Settlement Agreement (“Agreement”) is made by and between the Commonwealth of Massachusetts, Division of Insurance (“Division”), and Rider Risk Specialists Insurance Agency, Inc., licensed as an insurance producer licensed under the laws of the Commonwealth of Massachusetts (“Commonwealth”) and with an address of 50 Rte 28A P.O. Box 115, Cataumet, MA 02534.

WHEREAS, Rider Risk Specialists Insurance Agency, Inc. was licensed by the Division as an insurance producer pursuant to M.G.L. c. 175, § 162H *et seq.*;

WHEREAS, an insurance producer licensed in the Commonwealth must uphold the standards in M.G.L. c. 175, § 162H *et seq.* and must comply with the Commonwealth’s insurance laws, including without limitation, those set forth in M.G.L. c. 175 & M.G.L. c. 176D; the Code of Massachusetts Regulations; and any other regulatory requirements; each of which give the Commissioner of Insurance review, approval, and enforcement authority over licensees;

WHEREAS, the Division has conducted an investigation, Special Investigation Number 9257, and contends that the acts and conduct of Rider Risk Specialists Insurance Agency, Inc. as set forth in the Division’s correspondence dated November 30, 2016, a copy of which is attached hereto, constitute grounds for revocation of Rider Risk Specialists Insurance Agency, Inc.’s insurance license and the imposition of fines;

WHEREAS, Rider Risk Specialists Insurance Agency, Inc. is aware of its rights to notice and to an administrative hearing with respect to the alleged violations of Massachusetts insurance laws in these matters, and hereby waives those rights.

NOW THEREFORE, in consideration of the foregoing and the covenants, warranties, representations, and agreements contained herein, it is mutually agreed as follows:

1. Rider Risk Specialists Insurance Agency, Inc. agrees to immediately cease and desist from the conduct outlined in the Division's November 30, 2016 correspondence.
2. Rider Risk Specialists Insurance Agency, Inc. agrees to pay a \$2,500.00 fine by **December 22, 2016**. Such check shall be made payable to the Commonwealth of Massachusetts and returned, along with an original signed version of the instant settlement agreement, to:

Massachusetts Division of Insurance  
C/O Scott Peary, Chief Enforcement Counsel  
1000 Washington Street, Suite 810  
Boston, MA 02118

3. Rider Risk Specialists Insurance Agency, Inc., agrees to get reinstated by the Secretary of the Commonwealth, on or before December 31, 2016. Failure to do so within the specified time limit shall be a violation of this Settlement Agreement. In the event of such breach, Rider Risk Specialists Insurance Agency, Inc. authorizes the Division to seek the immediate revocation of its Massachusetts resident business entity producer license.

4. Except as expressly set forth in this Agreement, the failure of the Division at any time to require strict performance by Rider Risk Specialists Insurance Agency, Inc. of any terms, provisions, or conditions hereof shall in no way affect the right thereafter to enforce the same, nor shall the waiver by the Division of any breach of any of the terms, provisions, and conditions hereof be construed or deemed a waiver of any succeeding breach of any term, provision, or condition thereof.

5. Melanie T. Rider, as president of and the designated/responsible licensed producer for the Rider Risk Specialists Insurance Agency, Inc., is individually liable for the violations of Rider Risk Specialists insurance Agency, Inc., pursuant to M.G.L. c. 175, § 174.

6. In the event that the Division finds that there has been a breach of any provision of this Agreement, the Division may, in its discretion, pursue any and all legal remedies permitted by the Massachusetts insurance laws as well as any other appropriate law of the Commonwealth.

7. The provisions of this Agreement may be amended, modified, or expanded solely in writing by joint consent of the Division and an authorized representative of Rider Risk Specialists Insurance Agency, Inc.

SIGNED:

\_\_\_\_\_  
Melanie Rider  
Rider Risk Specialists Insurance Agency, Inc.

Dated: \_\_\_\_\_



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Commonwealth of Massachusetts  
Division of Insurance  
Scott Peary  
Chief Enforcement Counsel

Dated: November 30, 2016