



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

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**Division of Insurance, Petitioner**  
**v.**  
**Belinda M. Anderson, Respondent**  
**Docket No. E2007-02**

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**Order on Petitioner's Motion for Summary Decision**

***Introduction and Procedural History***

On March 21, 2007, the Massachusetts Division of Insurance (“Division”) filed an Order to Show Cause (“OTSC”) against Belinda M. Anderson (“Anderson”) who was formerly licensed in Massachusetts as a non-resident individual producer.<sup>1</sup> The Division seeks orders that Anderson violated G.L. c. 175, §§162R (a)(2) and 162V (a). It asks for a cease and desist order, revocation of her license, an order requiring her to dispose of any insurance-related interests in Massachusetts, and imposition of fines for the alleged violations.

The Division alleges that, in October 2004, the Alabama Department of Insurance initiated an administrative action against Anderson and, on January 6, 2005, entered into a settlement agreement with her. It asserts that Anderson did not notify the Division of the disposition of the Alabama administrative action within thirty days of its completion.

A Notice of Procedure (“Notice”) was issued on March 22, 2007, advising Anderson that a prehearing conference would take place on April 26, 2007 and that a hearing on the OTSC would be held on May 10, 2007, both at the offices of the Division.

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<sup>1</sup> G.L. c. 175, §162R (e) authorizes the Commissioner of Insurance to enforce the provisions of the licensing statutes, and to impose remedies or penalties pursuant to those statutes, and to G.L. c. 176D, even if a respondent’s license has lapsed by operation of law.

It further advised her that the hearing would be conducted pursuant to G.L. c. 30A and the Standard Adjudicatory Rules of Practice and Procedure, 801 CMR 1.00, *et seq.* The Notice advised Anderson to file an answer pursuant to 801 CMR 1.01(6)(d) and that, if she failed to do so, the Division might move for an order of default, summary decision or decision on the pleadings granting it the relief requested in the OTSC. It also notified Anderson that, if she failed to appear at the prehearing conference or hearing, an order of default, summary decision or decision on the pleadings might be entered against her. The Commissioner designated me as presiding officer for this proceeding.

On March 22, the Division sent the Notice and OTSC by certified mail to respondent at her business and mailing address appearing on the Division's records: 370 17<sup>th</sup> Street, Denver, Colorado 80202. Copies were also sent to her by first-class mail, postage prepaid, to that address and to a residential address, also on the Division's records, of 14775 Argonne Street, Denver, Colorado 80249. The post office returned to the Division the certified and first class mail sent to the business address and the first class mail sent to the residence address with the notation: Insufficient address.

On April 26, a prehearing conference was held pursuant to 801 CMR 1.01(10)(a). Douglas Hale, Esq. appeared for the Division. Neither Anderson nor any person representing her appeared. Mr. Hale reported that he had received no communication from the respondent or from any person purporting to represent her. On that same date, the Division filed its motion for summary decision. On April 27, an order issued advising Anderson to file any response to the motion by May 8, and stating that any argument on the motion would be heard on May 10, at the time set for the evidentiary hearing. The order was sent to Anderson's business and residential addresses by first class mail. Both letters were returned. Ms. Anderson failed to appear at the May 10 hearing. Robert Kelly, Esq., appearing for the Division in place of Mr. Hale, confirmed that there had been no communications with the respondent.

### ***Finding of Default***

On the basis of the record before me, I conclude that the Division took appropriate actions to ensure proper service, and that sufficient service was made.<sup>2</sup> The OTSC and Notice were sent to Anderson at two addresses in the Division's licensing records, which incorporate information on license applications. The 17<sup>th</sup> Street, Denver address is shown as her business and mailing address and the Argonne Street, Denver address as her residential address. I conclude that Anderson's failure to answer the OTSC or to respond to the Division's motion, and her failure to appear at the prehearing conference or at the hearing warrant findings that she is in default. By her default, Anderson has waived her right to proceed further with an evidentiary hearing in this case and I may consider the Division's motion for summary decision based solely upon the OTSC and the exhibits attached thereto.

***Findings of Fact***

On the basis of the record, consisting of the OTSC and the exhibits thereto, I find the following facts:

1. Respondent Belinda M. Anderson was first licensed in Massachusetts as an individual insurance producer on or about August 6, 2003. She did not renew her license and it was terminated effective April 22, 2006.

2. On or about October 20, 2004, the Alabama Department of Insurance notified Anderson that it had filed a complaint against her alleging violations of the Alabama Insurance Code.

3. On or about January 6, 2005, the Alabama Department of Insurance and Anderson entered into a settlement agreement in connection with the October 20, 2004 complaint.

4. Anderson did not notify the Division of the Alabama action within 30 days of its disposition.

***Analysis and Conclusions of Law***

801 CMR 1.01 (7) (h) allows a party, when he or she is of the opinion that there is no genuine issue of fact relating to a claim, and that he or she is entitled to prevail as a

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<sup>2</sup> I note that G.L. c. 175, §174A provides that notices of hearings in matters involving revocation of licenses "shall be deemed sufficient when sent postpaid by registered mail to the last business or residence address of the licensee appearing on the records of the commissioner. . . ." This section, however, does not require that notices of hearing must be sent by registered mail; nor does it provide that registered mail is the only method of service, which may be found to be sufficient.

matter of law, to file a motion for summary decision, with or without supporting affidavits. The Division's motion for summary decision notes that respondent failed to file an answer to the OTSC and failed to appear at the scheduled prehearing conference. As noted above, respondent's failure to comply with the directives in the Notice warrant a finding that she is in default. No genuine issue of fact has been raised in connection with the Division's claims. I find that it is entitled to prevail as a matter of law.

G.L. c. 175, §162R (a)(2) permits the Commissioner to suspend or revoke an insurance producer's license and to levy civil penalties in accordance with G.L. c. 176D, §7 for violating any insurance laws. G.L. c. 175, §162V (a) requires a Massachusetts licensed producer to report to the Commissioner any disciplinary action taken by another state. The above findings of fact indicate that the Alabama Department of Insurance filed an administrative action against Anderson in October 2004 and that she settled that action in 2005. Because G.L. c. 175, §162V (a) obligated Anderson to report the outcome of the Alabama administrative action to the Commissioner, I conclude that her failure to do so violates Massachusetts law. Her violation of that statute supports the Division's position that her action is also a basis for revocation of her license pursuant to G.L. c. 175, §162R (a)(2).

I find, on this record, that the Massachusetts producer license issued to Belinda M. Anderson should be revoked, and that a fine should be imposed for each violation of the statute. The maximum fine permitted by statute is \$1,000 per violation. The allegations in the OTSC indicate that Anderson committed a single act that violated Massachusetts insurance laws: failure to report the Alabama administrative action. I will therefore impose a fine of \$1,000.

## **ORDERS**

Accordingly, after due notice, hearing and consideration it is

**ORDERED:** That any and all insurance producer licenses issued to Belinda M. Anderson by the Division are hereby revoked; and it is

**FURTHER ORDERED:** that Belinda M. Anderson shall return to the Division any licenses in her possession, custody or control; and it is

**FURTHER ORDERED:** that Belinda M. Anderson is, from the date of this order, prohibited from directly or indirectly transacting any insurance business or acquiring, in any capacity whatsoever, any insurance business in the Commonwealth of Massachusetts; and it is

**FURTHER ORDERED:** that Belinda M. Anderson shall comply with the provisions of G.L. c. 175, §166B and dispose of any and all interests in Massachusetts as proprietor, partner, stockholder, officer or employee of any licensed insurance producer; and it is

**FURTHER ORDERED:** that Belinda M. Anderson shall cease and desist from the conduct complained of in the Division's Order to Show Cause; and it is

**FURTHER ORDERED:** that Belinda M. Anderson shall pay a fine of One Thousand Dollars (\$1,000) to the Division within 30 days of the entry of this order.

This decision has been filed this 11th day of May 2007, in the office of the Commissioner of Insurance. A copy shall be sent to Anderson by certified mail, return receipt requested, as well as by regular first class mail, postage prepaid.

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Jean F. Farrington  
Presiding Officer

Pursuant to G.L. c. 26, §7, this decision may be appealed to the Commissioner of Insurance.