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BEFORE THE UTAH INSURANCE COMMISSIONER

<p>UTAH INSURANCE DEPARTMENT, Complainant, vs. DAVID COTTAM OSBORN, Respondent.</p>	<p>NOTICE OF AGENCY ACTION AND ORDER</p> <p>Docket No. 2022-4415</p> <p>Donald H. Hansen Administrative Law Judge/Presiding Officer</p>
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NOTICE OF AGENCY ACTION

The Utah Insurance Department (“the Department”) commences this agency action as an informal adjudicative proceeding against David Cottam Osborn (“Respondent”) pursuant to Utah Code § 31A-2-201 and 63G-4-201 through -203 and to Utah Admin. Code R590-160.

This agency action is based on the facts and law set forth in the attached Declaration and is designated as an informal adjudicative proceeding pursuant to Utah Code § 63G-4-202(1) and Utah Admin. Code R590-160-4 and -8.

ORDER

Based on the facts and the law set forth in the attached Declaration, and good cause appearing, the Utah Insurance Commissioner orders as follows:

1. Respondent's resident producer individual insurance license number 634935 is revoked.

2. Pursuant to Utah Code § 63G-4-203(1)(i) and Utah Admin. Code R590-160-8(1), this informal adjudicative proceeding shall be deemed closed, and this Order shall become final and take full effect, 15 days after this Notice of Agency Action and Order is emailed to Respondent unless a request for a hearing on this matter is received from Respondent prior to that date.

3. A request for a hearing shall be in writing and sent by email to uidadmincases@utah.gov or by U.S. mail to Office of the Administrative Law Judge, Utah Insurance Department, 4315 S. 2700 W., Suite 2300, Taylorsville, UT 84129. The request for hearing shall be signed by the person making the request and shall state the basis for the relief requested.

4. If you fail to request a hearing you will be bound by this Order. Failure to request a hearing will be deemed a failure to exhaust administrative remedies and will preclude any further administrative or judicial review or appeal of this matter.

DATED this 28th day of July, 2022.

JONATHAN T. PIKE
Utah Insurance Commissioner

/s/ Donald H. Hansen
DONALD H. HANSEN
Administrative Law Judge/Presiding Officer
Utah Insurance Department
4315 S. 2700 W., Suite 2300
Taylorsville, UT 84129
Telephone: 801-957-9321
Email: uidadmincases@utah.gov

NOTICE REGARDING ENFORCEMENT OF THE ORDER

Failure to obey this Order may subject you to further penalties that include a forfeiture of up to \$5,000 per violation, with each day of the violation constituting a separate violation. Other penalties for failing to obey this Order may include license suspension, probation, refusal to renew, or revocation. Failure to obey this Order may also result in an action taken against you in a court of competent jurisdiction where forfeitures of up to \$10,000 for each day the failure to comply continues until judgment is rendered. If you are licensed in other jurisdictions, you may be required to report this proceeding in those jurisdictions.

DECLARATION

Under criminal penalty of Utah law, I, Bill Stimpson, declare the following:

1. I am currently employed as a Market Conduct Examiner with the Utah Insurance Department (“Department”) where my responsibilities include investigating and enforcing Utah insurance laws.

2. I submit this Declaration as the basis for issuing the Notice of Informal Adjudicative Proceeding and Order against David Cottam Osborn (“Respondent”) to which this Declaration is attached.

3. Based on my personal knowledge and/or based on the facts appearing in the Department’s records and files, the following facts are true:

a. Respondent is a resident producer individual licensee. Respondent was issued Utah license number 634935 on September 28, 2017.

b. On November 22, 2019, Respondent applied for an insurance license with the Indiana Department of Insurance. Respondent was denied the license because of a criminal felony conviction.

c. On December 8, 2020, North Carolina Department of Insurance commenced an agency action against the Respondent for failure to report another state’s action. Respondent surrendered his North Carolina insurance license as a result of the action.

d. On August 11, 2021, Respondent’s New York license was revoked for failure to make a required disclosure on a license application and failure to report another state’s action.

e. On November 30, 2021, Respondent was fined by Wisconsin Department of Insurance for failure to report another state’s action. Respondent failed to pay the fine and his Wisconsin license was revoked on January 25, 2022.

f. Respondent failed to report any of the administrative actions taken against his licenses in other states to the Department as required by Utah Code § 31A-23a-105(2).

g. On May 4, 2022, Bill Stimpson, a conduct examiner with the Department's Health and Life Division, sent a letter of inquiry to the Respondent at his email address of record requesting information regarding the Wisconsin administrative action taken against the Respondent's Wisconsin license.

h. Under Utah Code § 31A-2-202(4)(a), Respondent is required to reply promptly in writing or in other designated form to a reasonable written inquiry from the commissioner.

i. Respondent failed to respond to the letter of inquiry sent via email dated May 4, 2022.

j. Respondent again failed to respond to a second letter of inquiry from the Health and Life Division, sent via email, on May 19, 2022.

k. On July 7, 2022, the market conduct examiner attempted to call the Respondent at his telephone numbers of record. A voice mail greeting identified the number as belonging to the Respondent but stated "it would be a slim chance" that Respondent would return the call. A response was never received by the Respondent. The Respondent's work number of record is a non-working number.

4. The above declared facts demonstrate that the following Utah insurance law(s) were not complied with:

a. Respondent violated Utah Code § 31A-23a-111(5)(b)(x) by violating an insurance law, valid rule, or valid order of another regulatory agency in any jurisdiction.

b. Respondent violated Utah Code § 31A-23a-111(5)(b)(xvii) by having an insurance license denied, suspended, revoked, or surrendered to resolve an administrative action.

c. Respondent violated Utah Code § 31A-2-202(4)(a), by not replying promptly in writing or in other designated form to a reasonable written inquiry from the commissioner.

d. Respondent violated Utah Code § 31A-23a-412(1) when he failed to maintain the address, one or more telephone numbers and a valid email address at which the commissioner may contact the licensee.

5. Based on Utah Code § 31A-2-308 and other similar enforcement cases, the Respondent's insurance license should be revoked.

DATED this 27th day of July, 2022, at Salt Lake City, Salt Lake County, Utah.

/s/ Bill Stimpson

Bill Stimpson, Market Conduct Examiner
Utah Insurance Department

CERTIFICATE OF SERVICE

The undersigned hereby certifies that on this date a true and correct copy of the foregoing Notice of Agency Action and Order, with the Declaration attached to it, was emailed to:

David Cottam Osborn
[REDACTED]

and

Bill Stimpson
Utah Insurance Department
[REDACTED]

DATED this 28th day of July, 2022.

/s/ Jeanine Couser
Jeanine Couser
Utah Insurance Department
4315 S. 2700 W., Suite 2300
Taylorsville, UT 84129
801-957-9321