

BEFORE THE IOWA INSURANCE COMMISSIONER

IN THE MATTER OF:)
)
 DONALD IRA PINANSKY;)
)
 DYLAN BRENT SPORN;)
)
 MARC SHAYE SPORN;)
)
 BRYANA STARR SPORN;)
)
 CONSOLIDATED USA)
 INSURANCE, INC.;)
)
 STARR INSURANCE GROUP INC.;)
)
 AMERCO GROUP, INC.)
 fka AMERCO ISSURANCE, INC.;)
)
 XCHANGE BENEFITS, LLC; and)
)
 SELECTED MARKET INSURANCE)
 GROUP, LLC;)
)
 Respondents.)

Division File No. 85163

**CONSENT ORDER
AS TO RESPONDENT
SELECTED MARKET INSURANCE
GROUP, LLC.**

NOW COMES the Iowa Insurance Division and Respondent Selected Market Insurance Group, LLC, and hereby agree to the following consent order:

1. The Commissioner of Insurance, Nick Gerhart, pursuant to Iowa Code § 505.8, administers the Iowa Unfair Trade Practices Act – Iowa Code Chapter 507B, the Iowa Licensing of Insurance Producers Act – Iowa Code Chapter 522B, and the Iowa Unauthorized Insurers Act – Iowa Code Chapter 507A, and has jurisdiction to issue this order.
2. Selected Market Insurance Group, LLC (“SMIG”) is a Texas Limited liability company with an office address of 1726 Kingsley Avenue, Suite 36, Orange Park, Florida 32073.

3. The Division alleged that SMIG violated the laws of the state of Iowa through its contracts with Pan American Life Insurance Company and Starr Insurance Group, Inc.

4. SMIG disputes its conduct was in violation of any applicable laws.

5. A contested case hearing on the allegations was scheduled for December 2014, but was continued to allow the Division and SMIG an opportunity to pursue settlement of this matter without the need for a hearing.

6. The Division and SMIG have agreed to the following in order to avoid costly litigation:

A. SMIG shall not act as a third party administrator or insurance producer in the state without registering or obtaining a license, as applicable.

B. SMIG shall not contract with any insurer authorized to do the business of insurance in this state as an agent for the purpose of identifying, contracting with or appointing any individual producer, business entity producer, managing general agent or independent marketing organization, unless SMIG has developed policies and procedures implementing a system designed to reasonably detect unqualified participants in the insurance business, unlicensed producers and verify appropriate producer licensure in this state. These policies and procedures shall provide that SMIG will request and reasonably verify the names and identifying information of all persons whom it anticipates will be engaged in the:

(i) Sale, solicitation or negotiation of insurance;

(ii) Offering advice, counsel or service with respect to the benefits, advantages or disadvantages promised under any policy of insurance; or

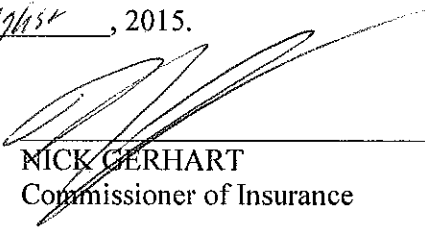
(iii) Managing, supervising, compensating, hiring, employing, approving or evaluating any persons required to be licensed insurance producers in any state.

Further, these policies and procedures shall provide that (i) SMIG will conduct reasonable background inquiries of these identified persons using Web-based search engines and online systems such as LexisNexis Accurint or Westlaw CLEAR systems, or (ii) in the event a carrier with whom SMIG has contracted to provide services has assumed responsibility for conducting the diligence required herein, SMIG shall request copies of the relevant results of such diligence and ensure that it has been completed.

C. SMIG shall pay \$5,000 to the state of Iowa to the credit of the Restitution Fund of the Iowa Insurance Division, to be held by the Division as restitution for Iowa consumers who submit claims or complaints demonstrating the person was aggrieved by the unlawful acts or practices alleged in this action. The first \$2500 payment of this obligation shall be paid contemporaneously with the execution of this order. The second \$2500 payment shall be paid on or before September 21, 2015.


D. SMIG shall pay \$2,500 on or before October 21, 2015 to the state of Iowa to the credit of the Insurance Enforcement Fund to provide funds for insurance enforcement and education.

SO ORDERED on this 31 day of August, 2015.



NICK GERHART
Commissioner of Insurance

Respectfully submitted,



Douglas M. Ommen
Deputy Commissioner

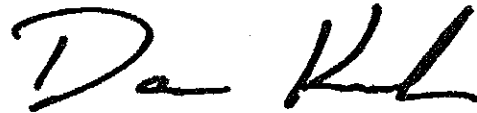
CONSENT

On behalf of Selected Market Insurance Group, LLC, the undersigned consents to the issuance of this order.

08/19/2015
Date

SELECTED MARKET INSURANCE GROUP, LLC

By:

A handwritten signature in black ink, appearing to read "D. K. L.", written in a cursive style.