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FILED
NOV 08 2019 AM
Department of Insurance
State of Idaho

Attorneys for the Department of Insurance

BEFORE THE DIRECTOR OF THE DEPARTMENT OF INSURANCE

STATE OF IDAHO

In the Matter of:

DAVID JOHN JACKSON

Nonresident Surplus Lines Broker License
No. 113725 and Nonresident Producer
License No. 64595

Docket No. 18-3699-19

ORDER OF DEFAULT

The Director of the Idaho Department of Insurance (“Director”) having reviewed the record herein; and DAVID JOHN JACKSON (“Respondent”), who currently holds Idaho Nonresident Surplus Lines Broker License No. 113725 and Idaho Nonresident Producer License No. 64595, having been lawfully served the Verified Complaint and Notice of Right to Hearing, a copy of which is attached hereto as Exhibit A and incorporated herein, and having failed to file an answer thereto and having failed to request a hearing regarding said Verified Complaint; and the Director having found as a result thereof that Respondent has waived his rights regarding the opportunity for hearing; and in consideration of the above;

IT IS HEREBY ORDERED that Idaho Nonresident Surplus Lines Broker License No. 113725 issued to Respondent is REVOKED effective immediately.

IT IS HEREBY FURTHER ORDERED that Idaho Nonresident Producer License No. 64595 issued to Respondent is REVOKED effective immediately.

IT IS HEREBY FURTHER ORDERED, pursuant to Idaho Code § 41-1027(2), that Respondent shall immediately return Idaho Nonresident Surplus Lines Broker License No. 113725 and Idaho Nonresident Producer License No. 64595 to the Idaho Department of Insurance, P.O. Box 83720, Boise, Idaho 83720-0043.

IT IS HEREBY FURTHER ORDERED that a fine of \$25 per day, calculated from April 1, 2019, to the date of entry of this Order, is imposed against Respondent.

IT IS SO ORDERED.

DATED this 8 day of November, 2019.

STATE OF IDAHO
DEPARTMENT OF INSURANCE


DEAN L. CAMERON
Director

NOTIFICATION OF RIGHTS

This is a final order of the agency. Any party may file a motion for reconsideration of this final order within fourteen (14) days of the service date of this order. The agency will dispose of the motion for reconsideration within twenty-one (21) days of its receipt, or the motion will be considered denied by operation of law. See Idaho Code § 67-5246(4).

Any such motion for reconsideration shall be served on the Director of the Idaho Department of Insurance, addressed as follows:

Dean L. Cameron, Director
Idaho Department of Insurance
700 W. State Street, 3rd Floor
P.O. Box 83720
Boise, ID 83720-0043

Pursuant to Idaho Code §§ 67-5270 and 67-5272, any party aggrieved by this final order or orders previously issued in this case may file a petition for judicial review in the district court of the county in which:

- i. A hearing was held;
- ii. The final agency action was taken;
- iii. The party seeking review of the order resides, or operates its principal place of business in Idaho; or
- iv. The real property or personal property that was the subject of the agency action is located.

A petition for judicial review must be filed within twenty-eight (28) days of: (a) the service date of this final order, (b) the service of an order denying motion for reconsideration, or (c) the failure within twenty-one (21) days to grant or deny a motion for reconsideration, whichever is later. See Idaho Code § 67-5273. The filing of a petition for judicial review does not itself stay the effectiveness or enforcement of the order under appeal. Idaho Code § 67-5274.

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on this 01 day of November, 2019, I caused a true and correct copy of the foregoing ORDER OF DEFAULT to be served upon the following by the designated means:

David John Jackson	<input checked="" type="checkbox"/> first class mail
4 Biltmore Court	<input type="checkbox"/> certified mail
Lake in the Hills, IL 60156-4495	<input type="checkbox"/> hand delivery

David John Jackson	<input checked="" type="checkbox"/> first class mail
David J. Jackson & Company, LLC	<input type="checkbox"/> certified mail
12330 Tamiani Trl E., Ste. 103	<input type="checkbox"/> hand delivery
Naples, FL 34113-7931	

AIU Insurance Company	<input checked="" type="checkbox"/> first class mail
175 Water Street, 24 th Floor	<input type="checkbox"/> certified mail
New York, NY 10038	<input type="checkbox"/> hand delivery

American Home Insurance Company	<input checked="" type="checkbox"/> first class mail
175 Water Street, 18 th Floor	<input type="checkbox"/> certified mail
New York, NY 10038	<input type="checkbox"/> hand delivery

Citizens Insurance Company of America	<input checked="" type="checkbox"/> first class mail
440 Lincoln Street	<input type="checkbox"/> certified mail
Worcester, MA 01653-0002	<input type="checkbox"/> hand delivery

The Hanover Insurance Company of America	<input checked="" type="checkbox"/> first class mail
440 Lincoln Street	<input type="checkbox"/> certified mail
Worcester, MA 01653-0002	<input type="checkbox"/> hand delivery

The Hanover Insurance Company	<input checked="" type="checkbox"/> first class mail
440 Lincoln Street	<input type="checkbox"/> certified mail
Worcester, MA 01653-0002	<input type="checkbox"/> hand delivery

Hartford Fire Insurance Company	<input checked="" type="checkbox"/> first class mail
One Hartford Plaza	<input type="checkbox"/> certified mail
Hartford, CT 06155-0001	<input type="checkbox"/> hand delivery

Hudson Insurance Company	<input checked="" type="checkbox"/> first class mail
100 William Street, Floor 5	<input type="checkbox"/> certified mail
New York, NY 10038-5044	<input type="checkbox"/> hand delivery

Illinois National Insurance Co.
300 South Riverdale Plaza, Suite 2100
Chicago, IL 60606-6613

☒ first class mail
☐ certified mail
☐ hand delivery

The Insurance Company of the State of
Pennsylvania
175 Water Street, 18th Floor
New York, NY 10038-4976

☒ first class mail
☐ certified mail
☐ hand delivery

Lexon Insurance Company
10002 Shelbyville Road, Ste. 100
Louisville, KY 40223-2979

☒ first class mail
☐ certified mail
☐ hand delivery

Massachusetts Bay Insurance Company
440 Lincoln Street
Worcester, MA 01653-0002

☒ first class mail
☐ certified mail
☐ hand delivery

National Union Fire Insurance Company
of Pittsburgh, PA
175 Water Street, 18th Floor
New York, NY 10038

☒ first class mail
☐ certified mail
☐ hand delivery

New Hampshire Insurance Company
175 Water Street, 18th Floor
New York, NY 10038-4976

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Edith L. Pacillo
Lead Deputy Attorney General
Idaho Department of Insurance
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Boise, ID 83720-0043

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Pamela Murray

LAWRENCE G. WASDEN
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OCT 10 2019 *AM*
Department of Insurance
State of Idaho

Attorneys for the Department of Insurance

BEFORE THE DIRECTOR OF THE DEPARTMENT OF INSURANCE

STATE OF IDAHO

In the Matter of:

DAVID JOHN JACKSON

Nonresident Surplus Lines Broker License
No. 113725 and Nonresident Producer
License No. 64595

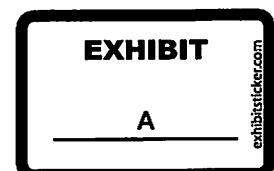
Docket No. 18-3699-19

**VERIFIED COMPLAINT AND
NOTICE OF RIGHT TO HEARING**

COMES NOW the staff of the Idaho Department of Insurance (the "Department"), by and through its undersigned counsel, and does hereby give notice of verified allegations constituting violation(s) of Idaho law, notice that relief will be requested from the Director of the Department, and a notice of the right to contest the allegations and requested relief herein and right to hearing to:

DAVID JOHN JACKSON
Nonresident Surplus Lines Broker License No. 113725
Nonresident Producer License No. 64595

The Department alleges the following facts and violations of title 41, Idaho Code, as itemized below. The Department will present an order seeking the relief described below upon



twenty-one (21) days following service of this Verified Complaint, and, DAVID JOHN JACKSON, you are further notified of your right to object to the requested relief, including the basis for any objection, and to request a hearing in writing.

ALLEGATIONS

The allegations and violations supporting the requested relief are:

1. Idaho Code § 41-210 empowers the Director of the Idaho Department of Insurance (“Director”) to enforce the provisions of title 41, Idaho Code. As such, the Director has jurisdiction over this matter.

2. DAVID JOHN JACKSON (“RESPONDENT”) is duly authorized by the State of Idaho as a nonresident surplus lines broker and as a nonresident insurance producer. RESPONDENT is therefore subject to title 41, Idaho Code, and to the rules of the Department.

3. RESPONDENT was granted Idaho Nonresident Surplus Lines Broker License No. 113725 (“Surplus Lines License”) on June 21, 2004, pursuant to title 41, chapter 12, Idaho Code.

4. RESPONDENT was granted Idaho Nonresident Insurance Producer License No. 64595 (“Nonresident Producer License”) on September 1, 1998, pursuant to title 41, chapter 10, Idaho Code.

5. “Surplus Line Coverage” is defined as certain insurance products that cannot otherwise be procured from insurers authorized to do business within Idaho, which consequently are allowed to be procured from unauthorized insurers subject to certain conditions delineated in Idaho Code § 41-1214.

6. Surplus lines brokers must file an annual verified report with the Department on or before March 1 of each year, detailing all of the surplus lines insurance transacted by the broker during the preceding year. Idaho Code § 41-1228.

7. Surplus lines brokers must also remit to the Department on or before March 1 of each year, a premium tax equivalent to one and five-tenths percent (1.5%) of the total premiums, less federal and state taxes and examination fees, on surplus line insurance subject to tax transacted by the broker during the preceding calendar year. Idaho Code § 41-1229.

8. In accordance with the foregoing, RESPONDENT was required to submit an annual report and to remit premium tax due, if any, for calendar year 2018 by no later than March 1, 2019. To date, RESPONDENT has neither filed an annual report nor paid premium tax for any surplus lines business transacted in Idaho during calendar year 2018.

9. On September 9, 2019, the Department, through its undersigned counsel, sent a letter to RESPONDENT, offering RESPONDENT the opportunity to voluntarily surrender the Surplus Lines License within fifteen (15) days of the date of the letter in lieu of the Department initiating a formal administrative proceeding to seek revocation of RESPONDENT's licenses. To date, RESPONDENT has not surrendered the Surplus Lines License nor responded in any other manner to the Department's offer.

FIRST CAUSE OF ACTION
Failure to File an Annual Report

10. All foregoing paragraphs are incorporated herein as if set forth in full.

11. RESPONDENT failed to file an annual report and remit premium tax due, if any, for calendar year 2018 by March 1, 2019, and to date remains delinquent in filing said report, in violation of Idaho Code § 41-1228(1).

12. Pursuant to Idaho Code § 41-1230, a surplus lines broker who fails to file an annual report "shall be liable for a fine of twenty-five dollars (\$25.00) for each day of delinquency commencing with the first day of April" after such report is due.

13. Pursuant to Idaho Code § 41-1224(1)(a), the Director may suspend or revoke any

surplus lines broker's license if the broker fails to file an annual report or to remit tax as required by law.

14. Pursuant to Idaho Code § 41-1224(4), a surplus lines broker whose license has been suspended or revoked shall not again be licensed until any fines or delinquent taxes owed are paid and, in the case of revocation, not until the expiration of one (1) year from the date of final revocation.

15. The Department seeks immediate revocation of RESPONDENT's Surplus Lines License.

16. The Department also seeks imposition against RESPONDENT of a fine of twenty-five dollars (\$25.00) per day, calculated from April 1, 2019, until the sooner of such date as RESPONDENT files the annual report and pays all taxes due, if any, or the date of final revocation of RESPONDENT's Surplus Lines License, in accordance with Idaho Code § 41-1230.

SECOND CAUSE OF ACTION
Simultaneous Revocation of Nonresident Producer License

17. All foregoing paragraphs are incorporated herein as if set forth in full.

18. RESPONDENT holds a Nonresident Producer License issued by the State of Idaho.

19. Pursuant to Idaho Code § 41-1224(3), suspension or revocation of RESPONDENT's Surplus Lines License shall cause the Director to likewise suspend or revoke all other licenses held by RESPONDENT under title 41, Idaho Code, including RESPONDENT's Nonresident Producer License.

20. Pursuant to Idaho Code § 41-1224(4), reinstatement of a suspended or revoked surplus lines broker license cannot occur until any fines or delinquent taxes owed are paid and, in the case of revocation, not until the expiration of one (1) year from the date of final revocation.

21. Therefore, the Department also seeks revocation of RESPONDENT's Nonresident

Producer License for a minimum of one (1) year from the date of final revocation or until such time as RESPONDENT would again be eligible for a surplus lines broker license in accordance with Idaho Code § 41-1224(4).

REQUEST FOR RELIEF

Based upon the foregoing facts and allegations, the Department prays for an order from the Director providing relief as follows:

1. Immediate revocation of RESPONDENT's Idaho Surplus Lines Broker License No. 113725; and
2. Immediate revocation of RESPONDENT's Idaho Nonresident Insurance Producer License No. 64595; and
3. Imposition of a fine of \$25 per day commencing April 1, 2019, through the earlier of the date that RESPONDENT submits his annual report for calendar year 2018 or entry of the Director's final order herein.

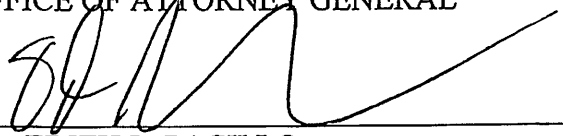
NOTICE OF RIGHT TO OBJECT AND TO REQUEST A HEARING

Based on violations as alleged above, DAVID JOHN JACKSON, you have the right to a hearing in accordance with Idaho Code § 41-232A(2). In order to effectively object to this notice and prevent an order for the requested relief from being entered, you must, within twenty-one (21) days of the date of issuance of this Verified Complaint, submit a written request for hearing to the Director of the Idaho Department of Insurance, responding to the alleged violations pending against you. You must deliver any written request for hearing by mailing it to the Director, Idaho Department of Insurance, P.O. Box 83720, Boise, Idaho 83720-0043, or personally delivering said written request to the offices of the Department of Insurance at 700 W. State Street, Third Floor, Boise, Idaho, and also providing a copy to the undersigned at the same address.

If you fail to submit a timely written response to the allegations and request for hearing, a final order will be entered imposing the relief described above after twenty-one (21) days from the issuance of this Verified Complaint.

DATED this 10 day of October, 2019.

STATE OF IDAHO
OFFICE OF ATTORNEY GENERAL


By: EDITH L. PACILLO
Lead Deputy Attorney General
Attorney for the Department of Insurance

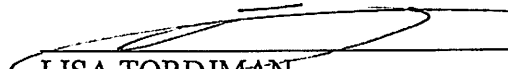
VERIFICATION

STATE OF IDAHO)
 : ss.
County of Ada)

LISA TORDJMAN, for the Department of Insurance, State of Idaho, being first duly sworn, deposes and says:

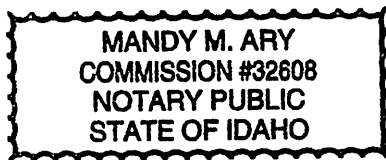
I have read the foregoing Verified Complaint and Notice of Right to Hearing and know the contents thereof, and the same are true to the best of my knowledge and belief and based on the records of the Department.

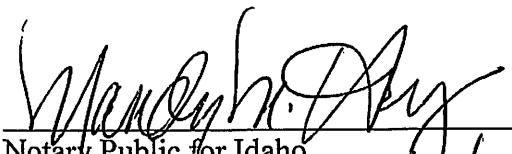
DATED this 10 day of October, 2019.



LISA TORDJMAN
Supervisor, Producer Licensing
Idaho Department of Insurance

SUBSCRIBED AND SWORN to before me this 10th day of October, 2019.





Notary Public for Idaho
My commission expires on 7/24/24

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on this 10th day of October, 2019, I caused a true and correct copy of the foregoing VERIFIED COMPLAINT AND NOTICE OF RIGHT TO HEARING to be served upon the following by the designated means:

David John Jackson
4 Biltmore Court
Lake in the Hills, IL 60156-4495

☒ first class mail
☐ certified mail
☐ hand delivery
☐ email

David John Jackson
David J. Jackson & Company, LLC
755 McArdle Drive, Suite A
Crystal Lake, IL 60014-1717

☒ first class mail
☐ certified mail
☐ hand delivery
☐ email

AIU Insurance Company
175 Water Street, 24th Floor
New York, NY 10038

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Worcester, MA 01653-0002

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☐ email

Hartford Fire Insurance Company
One Hartford Plaza
Hartford, CT 06155-0001

☒ first class mail
☐ certified mail
☐ hand delivery
☐ email

Hudson Insurance Company
100 William Street, Floor 5
New York, NY 10038-5044

- ☒ first class mail
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Illinois National Insurance Co.
300 South Riverdale Plaza, Suite 2100
Chicago, IL 60606-6613

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175 Water Street, 18th Floor
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Lexon Insurance Company
10002 Shelbyville Road, Ste. 100
Louisville, KY 40223-2979

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☐ email

Massachusetts Bay Insurance Company
440 Lincoln Street
Worcester, MA 01653-0002

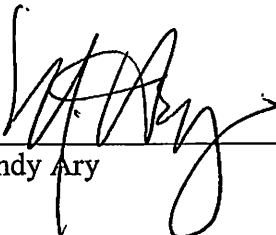
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National Union Fire Insurance Company
of Pittsburgh, PA
175 Water Street, 18th Floor
New York, NY 10038

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☐ email

New Hampshire Insurance Company
175 Water Street, 18th Floor
New York, NY 10038-4976

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☐ hand delivery
☐ email



Mandy Ary