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**Division of Insurance, Petitioner**  
**v.**  
**Christine Joann Riddell, Respondent**

**Docket No. E2005-16**

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**Order on Petitioner's Motion for Decision on the Pleadings**

*Introduction and Procedural History*

On September 28, 2005 the Massachusetts Division of Insurance (“Division”) filed an Order to Show Cause (“OTSC”) against Christine Joann Riddell (“Riddell”), who is currently licensed as a non-resident Massachusetts insurance producer. The Division seeks orders that Riddell has violated G.L. c. 175, §§162R (a) (2), (8) and (9). It asks for 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 states in the OTSC that Massachusetts first licensed Riddell as an insurance agent on or about September 10, 2002, and converted her license in to a producer license on or about May 16, 2003. It further states that she currently holds no active appointments to represent insurance companies. The Division alleges that, on or about July 24, 2003, Riddell and the Virginia Bureau of Insurance entered a settlement order that required her to pay \$500 because of an allegation that she had failed to file a timely quarterly report on her surplus-lines insurance business. Her surplus lines broker license and insurance agent license were both revoked in Virginia on or about March 9, 2004 because she failed to file a timely quarterly report on her surplus lines business with the Virginia State Corporation Commission.

On or about September 23, 2004, the state of Minnesota suspended Riddell's insurance agent license due to allegations that she issued fraudulent certificates of coverage nationwide and because of her refusal to permit Minnesota insurance officials to inspect her agency's records. Oklahoma fined Riddell \$3,000 on or about October 6, 2004 because she did not respond to inquiries about a consumer complaint. Florida revoked her license on or about December 23, 2004 because she did not respond to allegations that she failed to return bail bond money and to list her business in the Florida yellow pages as required under Florida law. The Division alleges that Riddell did not report these administrative actions to the Division within 30 days.

A Notice of Procedure ("Notice"), issued on October 4, advising Riddell that a prehearing conference would take place on November 3 at the offices of the Division, a hearing on the OTSC would be held on November 16, 2005, also at the Division, and that the proceeding 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 Riddell 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 Riddell 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 October 4, the Division sent the Notice and OTSC by certified mail to respondent at her mailing and residential addresses as they appear on the Division's records: 23639 Hawthorne Blvd., Suite 300, Torrance, CA 90505 and 408 N. Prospect Ave., Redondo Beach, CA 90277. Both the certified and first class mail were returned as undeliverable. Riddell filed no answer or other responsive pleading.

On November 3, a prehearing conference was held, pursuant to 801 CMR 1.01(10)(a). Douglas Perry, Esq. appeared for the Division. Neither Riddell nor any person representing her appeared. Mr. Perry reported that he had not heard from Riddell or any person representing her.

The Division filed a motion for a decision on the pleadings, which it served on respondent by first class mail. An order issued on November 3 advising Riddell to file

any response to the motion by November 10, stated that any argument on the motion would be heard on November 16, at the time initially set for an evidentiary hearing. Riddell filed no response to the Division's motion. At the hearing on November 16, Mr. Perry stated that he had received no communications from the respondent or any person representing her. Neither Riddell nor any representative appeared on her behalf at the November 16 hearing.

### ***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. The OTSC and Notice were sent to respondent at the mailing address shown on the Division's licensing records. I conclude that Riddell's failure to answer the OTSC or to respond to the Division's motion, and his failure to appear at the scheduled prehearing conference and at the hearing warrant findings that she is in default. By her default, Riddell has waived her right to proceed further with an evidentiary hearing in this case and I may consider the Division's motion for a decision on the pleadings based solely upon the OTSC.

### ***Findings of Fact and Conclusions of Law***

On the record before me, consisting of the OTSC, I find the following facts:

1. Respondent Riddell was first licensed in Massachusetts as an insurance agent on September 10, 2002. Her license was converted into a producer license on May 16, 2003.
2. Riddell was required to pay \$500 by settlement order on July 24, 2003 by the Virginia Bureau of Insurance because of an allegation that she had failed to file a timely quarterly report on her surplus-lines insurance business. On March 9, 2004 Virginia revoked her surplus lines broker license and insurance agent license because she failed to file a timely quarterly report on her surplus lines business with the Virginia State Corporation Commission. On September 23, 2004, the state of Minnesota suspended Riddell's insurance agent license due to allegations that she issued fraudulent certificates of coverage nationwide and because of her refusal to permit Minnesota insurance officials to inspect her agency's records. Oklahoma fined her \$3,000 on October 6, 2004 because she did not respond to inquiries about a consumer complaint. Florida revoked her license on December 23, 2004 because she did not respond to allegations that she failed to return

bail bond money and to list her business in the Florida yellow pages as required under Florida law.

3. Riddell failed to report these administrative actions to the Division within 30 days.

The grounds for the Division's motion are respondent's failure to file an answer to the OTSC within the time prescribed by the Standard Adjudicatory Rules of Practice and Procedure and his failure to appear at the scheduled prehearing conference. It is undisputed that Riddell failed to respond to the OTSC or to the Division's motion, and that she did not appear in this proceeding.

G.L. c. 175, §162R (a), in pertinent part, 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 reasons that include the violation of any insurance laws and the revocation of a producer's license by any other state. G.L. c. 175, §162V(a) requires a producer to report to the Division any disciplinary action taken by another state.

On the basis of these findings, I conclude that the facts alleged in the OTSC are sufficient to support revocation of Riddell's Massachusetts producer license pursuant to §162R (a)(2), (8) and (9). By failing to report these administrative actions to the Division, Riddell also violated G.L. c. 175, §162V(a).

I find, on this record, that the Massachusetts producer license issued to Christine Joann Riddell should be revoked for five violations of §162R(a)(2), (8) and (9), and that she should be fined \$5,000 for failure to comply with G.L. c. 175, §162V(a).

## **ORDERS**

Accordingly, after due notice, hearing and consideration it is

**ORDERED:** That any and all insurance producer licenses issued to Christine Joann Riddell by the Massachusetts Division of Insurance are hereby revoked; and it is

**FURTHER ORDERED:** That Christine Joann Riddell shall return to the Massachusetts Division of Insurance any licenses in her possession, custody or control; and it is

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

**FURTHER ORDERED:** That Christine Joann Riddell shall pay a fine of Five Thousand Dollars (\$5,000) to the Massachusetts Division of Insurance within 30 days.

This decision has been filed this 3<sup>rd</sup> day of January 2005, in the office of the Commissioner of Insurance. A copy shall be sent to Riddell by certified mail, return receipt requested, as well as by regular first class mail, postage prepaid.

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Amma A. Kokro, Esq.  
Presiding Officer

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