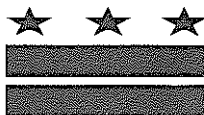


Government of the District of Columbia
Department of Insurance, Securities and Banking



Gennet Purcell
Acting Commissioner

IN THE MATTER OF:)
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WILLIAM H. OWENS, III
Respondent

IB-SC-16-09

CONSENT ORDER

By Notice To Show Cause dated September 30, 2009, the Commissioner of the Department of Insurance, Securities and Banking (DISB) gave notice to William H. Owens, III (hereinafter “the Respondent”) that, in accordance with the provisions of the District of Columbia Administrative Procedure Act (“DCAPA”), D.C. Official Code § 2-501 *et seq.* (2001), the Producers Licensing Act of 2002 (“Act”), D.C. Official Code § 31-1131.01 *et seq.* (2001), and Chapter 38 of Title 26 of the District of Columbia Municipal Regulations (“DCMR”), DISB proposed to levy a civil penalty in the amount of \$500.00 against the Respondent and his District of Columbia individual non-resident insurance producer license, License No. 1022391.

The charges and specifications upon which the proposal to levy a civil penalty was based are set forth below.

Charge I: **You failed to report to the Commissioner administrative action taken against your insurance producer license in another jurisdiction within thirty (30) days of the final disposition of the matter in violation of D.C. Official Code § 31-1131.17(a) (2001) for which the Commissioner may levy a civil penalty in the amount of \$500.00 against you and your insurance producer license pursuant to D.C. Official Code § 31-1131.12(a)(2) and (d) (2001).**

Specification A: On February 2, 2009 you entered into a Stipulation and Consent Order (Consent Order) with the State of Illinois, Department of Financial and Professional Regulation, Division of Insurance. Under the terms of the Consent Order, the Illinois Director of Insurance alleged that you violated the following sections of the Illinois Insurance Code (Ill. Adm. Code):

1. 50 Ill. Adm. Code 3113.40(k) in that prior written authorization of the insurer on whose behalf funds are to be held was not maintained;

2. 50 Ill. Adm. Code 3113.40(k) in that you used specialized techniques or strategies, which incur additional risks to generate higher returns with Premium Fund Trust Account (PFTA) funds;

3. 50 Ill. Adm. Code 3113.50(h) in that you did not maintain a positive running balance in the PFTA; and

4. 50 Ill. Adm. Code 3113.40(b) in that you maintained three (3) fiduciary accounts that were not designated as PFTA on the bank or investment records, and PFTA was not displayed on the face of the checks.

Under the terms of the Consent Order you agreed to pay a civil forfeiture in the amount of \$4,000.00. To date, you have failed to report to the Commissioner the State of Illinois Insurance Commissioner's administrative action.

Charge II:

You violated the insurance laws of another state's insurance commissioner for which the Commissioner may levy a civil penalty against you pursuant to D.C. Official Code § 31-1131.12(a)(2) (2001).

Specification A:

On February 2, 2009 you entered into a Stipulation and Consent Order (Consent Order) with the State of Illinois, Department of Financial and Professional Regulation, Division of Insurance. Under the terms of the Consent Order, the Illinois Director of Insurance alleged that you violated the following sections of the Illinois Insurance Code (Ill. Adm. Code):

1. 50 Ill. Adm. Code 3113.40(k) in that prior written authorization of the insurer on whose behalf funds are to be held was not maintained;

2. 50 Ill. Adm. Code 3113.40(k) in that you used specialized techniques or strategies, which incur additional risks to generate higher returns with Premium Fund Trust Account (PFTA) funds;

3. 50 Ill. Adm. Code 3113.50(h) in that you did not maintain a positive running balance in the PFTA; and

4. 50 Ill. Adm. Code 3113.40(b) in that you maintained three fiduciary accounts that were not designated as PFTA on the bank or investment records, and PFTA was not displayed on the face of the checks.

Under the terms of the Consent Order you also agreed to pay a civil forfeiture in the amount of \$4,000.00.

A hearing in this matter is scheduled to be held on November 5, 2009, at 10:00 a.m. Prior to the date of the hearing, Elizabeth A. Davis, Esq., Counsel for the Respondent, contacted Counsel representing the Department, discussed the pending charges and agreed that the Respondent would pay the civil penalty of \$500.00 in settlement of this matter.

Nothing herein shall be deemed a waiver of the Commissioner's right to proceed in an administrative civil action for the violation of statutes not specifically included in this Consent Order, nor shall anything herein be deemed a waiver of the right of the Respondent to contest such proceeding.

Additionally, the Respondent understands and agrees that this Consent Order addresses and resolves only the administrative actions by the Commissioner. The Consent Order shall not be construed to resolve or preclude any civil, administrative, or criminal action or prosecution by any other person, entity of governmental authority, including a fraud prosecution, regarding any conduct by the Respondent including the conduct that is the subject of this Consent Order.

For the purposes of the business of DISB, its records and publications will reflect this decision. This Consent Order is subject to disclosure under the District of Columbia Freedom of Information Act, D.C. Official Code § 2-531 *et seq.*

This document contains the entire agreement between the parties and supersedes any earlier agreement or negotiations, whether oral or written.

NOW THEREFORE, IT IS HEREBY ORDERED: That William H. Owens, III shall pay a civil penalty in the amount of \$500.00. Payment shall be by check or money order made out to the D.C. Treasurer and mailed to Counsel in this matter at the following address: Charlotte W. Parker, Department of Insurance, Securities and Banking, Office of Legal Affairs, 810 First Street, NE, Suite 701, Washington, DC 20002; and it is

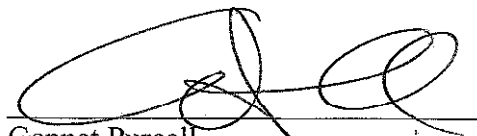
FURTHER ORDERED: That payment shall be made on or before November 2, 2009; and it is

FURTHER ORDERED: That failure to execute and return this Consent Order and payment of the civil penalty to DISB on or before November 2, 2009 shall result in an evidentiary hearing on November 5, 2009 at 10:00 a.m.; and it is

FURTHER ORDERED: That following execution of this Consent Order, failure to comply with the terms and conditions of this Consent Order will result in the immediate suspension of Mr. Owens' non-resident insurance producer's license issued by the District of Columbia; and it is


FURTHER ORDERED: That an evidentiary hearing on the failure to comply with the terms and conditions of the Consent Order shall be convened within thirty (30) business days of the date of non-compliance.

It is so ORDERED this 16 day of October, 2009



Gennet Purcell
Acting Commissioner

I, WILLIAM H. OWENS, III, have read the above Consent Order and agree to the representations made therein and the terms thereof.



William H. Owens, III

10/20/09
Date



Witness

10/20/09
Date

CERTIFICATE OF SERVICE

I hereby certify that the foregoing Consent Order was:

Sent by certified mail, [] registered mail, [] fax, [] hand delivery
on 10/14/09, 2009, to Elizabeth A. Davis, Esq., Ungaretti & Harris LLP,
3500 Three First National Plaza, 70 W. Madison, Suite 3500, Chicago, Illinois 60602.

October 14, 2009
Date

Mary E. Manning
Name