

**STATE OF OREGON
DEPARTMENT OF CONSUMER AND BUSINESS SERVICES
INSURANCE DIVISION**

In the Matter of) **CEASE AND DESIST**
American Trade Association Inc.,) **ORDER**
American Trade Association LLC,)
Smart Data Solutions LLC, and)
Serve America Assurance Ltd.) Case No. INS 10-06-005

The Director of the Oregon Department of Consumer and Business Services (director) commenced this administrative proceeding, pursuant to Oregon Revised Statutes (ORS) 731.256, to take enforcement action against American Trade Association Inc. and American Trade Association LLC (collectively ATA), Smart Data Solutions LLC (SDS), and Serve America Assurance Ltd (SAA).

The director issues this cease and desist order, pursuant to ORS 731.252, to ATA, SDS, and SAA, because the director has reason to believe the following.

Findings of Fact

Licensing Information

ATA has never been licensed in Oregon as an insurance producer. ATA's last known principal business address is 4676 Highway 41 North, Springfield, TN 37172-5867; and principal business telephone number is 800-591-6764.

SDS has never been licensed in Oregon as a third party administrator. SDS' last known principal business address is 4676 Highway 41 North, Springfield, TN 37172-5867; and principal business telephone number is 800-591-6764.

SAA has never been licensed in Oregon as an insurer. SAA's last known principal business address is 412-427, 4th Floor, Muhammadi House, I.I. Chundrigar Road, PO Box 5626, Karachi 74000, Pakistan; or 117 Winding Oak Way, Blythewood, SC 29016-8025; and principal business telephone number is 92-21-2429530-33.

Transacted Insurance In Oregon Without Requisite Licenses

ATA, SDS, and SAA are each subject to enforcement action pursuant to ORS 744.053, ORS 744.702, and ORS 731.354, respectively. ORS 744.053 prohibits

a person who is not licensed in Oregon as an insurance producer from selling, soliciting, or negotiating insurance in Oregon. ORS 744.702 prohibits a person who is not licensed in Oregon as third party administrator from, among other things, collecting charges or premiums from, and adjusting or settling life and health insurance claims by, residents of Oregon. ORS 731.354 prohibits a person who is not licensed in Oregon as an insurer from transacting insurance in Oregon as an insurer.

At all relevant times, ATA was not licensed in Oregon as an insurance producer, SDS was not licensed in Oregon as a third party administrator, and SAA and was not licensed in Oregon as an insurer.

From sometime in early 2009 to sometime before May 2010, ATA solicited and received from 398 persons who resided in Oregon applications for health insurance, SDS providing billing, processing and adjudication of claims, for benefits of such insurance, and SAA issued the policy(ies) promising to provide such insurance benefits.

Order

Pursuant to ORS 731.252, ATA, SDS, and SAA shall immediately cease and desist from violating ORS 744.053, ORS 744.702, and ORS 731.354, respectively.

Notice of Right to Administrative Hearing and Judicial Review

Each party has the right to a hearing pursuant to ORS 731.252. A party may request a hearing by sending a written request to the Insurance Division. A party may send the request to the Insurance Division by delivering it to the Labor and Industries Building, 350 Winter Street NE Room 300, Salem, Oregon; or mailing it to PO Box 14480, Salem, OR 97309-0405, or faxing it to 503-378-4351; or e-mailing it to mitchel.d.curzon@state.or.us. The Insurance Division must *receive* the request within *20 days* from the date this notice was *sent* to the party.

If the Insurance Division receives from a party a written request for a hearing by the above due date, then the Insurance Division will refer the request to the Office of Administrative Hearings (OAH). OAH will schedule the hearing and notify the party of the date and location of the hearing and other related information. OAH

will conduct the hearing in accordance with the Oregon Administrative Procedures Act, ORS Chapter 183; and related rules, Oregon Administrative Rules (OAR) 137-05-0501 *et seq.* A party that is an individual may represent him or her self, or may be represented by an attorney licensed in Oregon, at a hearing. A party that is a corporation, partnership, limited liability company, unincorporated association, trust, or government agency must be represented at a hearing by an attorney licensed in Oregon except as otherwise provided by law. Subsequently, OAH will issue a proposed order, and the director will issue a final order. However, this order will remain in effect until the director or a court of competent jurisdiction orders otherwise.

If the Insurance Division receives from a party a written request for a hearing by the above due date but the party subsequently withdraws the request, notifies the Insurance Division or OAH that the party will not appear at a scheduled hearing, or does not appear at a scheduled hearing, then the director intends to issue a final order by default continuing the action ordered herein.

If the Insurance Division does not receive from a party a written request for a hearing by the above due date, then this order will become final automatically and no further order will be issued.

If a hearing is not held, then the designated portion of the Insurance Division's file in this case will automatically become part of the contested case record for the purpose of proving a *prima facie* case. If a hearing is held, the designated portion of the Insurance Division's file in this case will not become part of the record, unless expressly offered by the Insurance Division as documentary evidence and admitted as such.

A party has the right to judicial review of this order pursuant to ORS 183.480 and 183.482 if it becomes final automatically. A party may request judicial review by sending a petition for judicial review to the Oregon Court of Appeals. The court must receive the petition within 60 days from the date this order was served on the party. If the order was personally delivered to a party, then the date of service is the date the party received the order. If the order was mailed to a party, then the

date of service is the date the order was mailed to the party, not the date the party received the order. If a party files a petition, the party is requested to also send a copy of the petition to the Insurance Division by delivering it to the Labor and Industries Building, 350 Winter Street NE Room 300, Salem, Oregon; or mailing it to PO Box 14480, Salem, OR 97309-0405; or faxing it to 503-378-4351; or e-mailing it to mitchel.d.curzon@state.or.us.

Dated July 20, 2010

/s/ Cory Streisinger
Cory Streisinger
Director
Department of Consumer and Business Services

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