

**STATE OF VERMONT  
DEPARTMENT OF FINANCIAL REGULATION  
INSURANCE DIVISION**

**IN RE: Alton L. Willard**

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**DOCKET NO. 15-008-I**

**DEFAULT JUDGMENT AND ORDER**

**Findings of Fact**

1. Alton L. Willard (“Respondent”), whose address of record is 223 Sloan Street, Newport, Vermont, 05855, was issued Vermont resident producer license #40953, which license became effective on July 1, 2002.
2. Respondent’s resident producer license was issued pursuant to the licensing requirements set forth in Chapter 131 of Title 8 of the Vermont Statutes.
3. On February 6, 2009, Respondent entered into a Stipulation and Consent Order with the Insurance Division of the Vermont Department of Financial Regulation (“Department”) for violations of Vermont insurance laws, including, but not limited to, 8 V.S.A. § 4804(a)(2) and (9).
4. Paragraph 4 of the 2009 Stipulation and Consent Order provides that “[i]f the Department uncovers future insurance law violations, including violations other than those discovered during the investigation, Respondent’s producer license might be permanently revoked.”
5. In a letter to Respondent dated January 14, 2015, the Department ordered Respondent to produce “copies of all relevant documentation,” including “a copy of all sales materials and a copy of the annuity buyers guide,” related to a complaint filed with the Department by Respondent’s former client.

6. After the fifteen business days in which Respondent had to respond elapsed, the Department sent Respondent a second letter ordering Respondent to produce the information and noting the penalties for noncompliance with a Notice to Produce.

7. The Department sent Respondent a third letter by certified mail when he failed to comply for a second time. The letter, dated March 9, 2015, stated: "This document serves as a Notice to Produce. You are required to appear, in person, at the Department of Financial Regulation, Insurance Division on or before March 18<sup>th</sup>. The documents that you are expected to produce are all documents that are in reference to [Respondent's former client]." The Department received a return receipt confirming Respondent's receipt of the letter.

8. Respondent failed to produce the records by the March 18, 2015 deadline.

9. On March 23, 2015 and again on March 25, 2015 the Department served upon Respondent Administrative Charges and Notice of Right to Request Hearing in this action.

10. Respondent has not filed an answer to date.

11. The Department filed and served a Motion for Default Judgment on August 5, 2015.

### **Conclusions of Law**

12. Under 8 V.S.A. § 13(a), the Commissioner of the Department ("Commissioner") may require production of papers and records in order to enforce Title 8.

13. Under 8 V.S.A. § 13(b), a person who fails or refuses to produce papers or records for examination before the Commissioner, upon properly being ordered to do so, may be assessed an administrative penalty by the Commissioner of not more than \$2,000.00 for each day of noncompliance and proceeded against as provided in the Administrative Procedure Act, and that person's authority to do business may be suspended for not more than six months.

14. Under 8 V.S.A. § 4804(a)(3), the Commissioner may suspend, revoke, or refuse to continue or renew any license issued under Chapter 131 of Title 8 of the Vermont Statutes if, after notice to the licensee and to the insurer represented, and opportunity for hearing, the Commissioner finds, as to the licensee, violation of, or noncompliance with, any insurance laws, or for violation of any lawful rule, regulation, subpoena, or order of the Commissioner or of a commissioner of another state.

15. By failing to comply with the Department's multiple Notices to Produce, Respondent violated 8 V.S.A. § 13, warranting the imposition of an administrative penalty and suspension of his Vermont resident producer license.

16. Respondent's violation of 8 V.S.A. § 4804(a)(3), which occurred as a result of his violating 8 V.S.A. § 13, along with Paragraph 4 of the 2009 Stipulation and Consent Order, further warrants the imposition of an administrative penalty and suspension of his Vermont resident producer license.

17. Respondent, pursuant to Section 5(a) of Regulation 82-1 (Revised) ("Regulation 82-1"), was required to file an answer no later than 30 days after the date of service of the Administrative Charges in this contested case.

18. Section 12 of Regulation 82-1 provides that where a Respondent, against whom a pleading initiating a contested case has been properly served, fails to answer within the time period specified in Section 5(a) or fails to defend the charge, the Petitioner may move for a decision by default. The Commissioner may render a decision by default at any time after the passage of ten days from the date of filing and service of the motion for default, whereupon the Commissioner may issue any applicable order.

19. Section 5(b) of Regulation 82-1 provides that if a Respondent fails to serve an answer timely, the allegations contained in the pleading that initiated the contested case will be treated as proven and a default judgment may be entered as provided in Section 12 of this regulation.

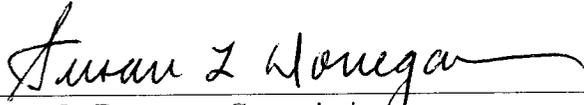
20. Respondent has failed to respond to the Division's Motion for Default Judgment and ten (10) days has passed since the time of the filing and service of the motion.

**Order**

**IT IS ORDERED THAT:**

1. A Default Judgment is entered against Respondent pursuant to Section 12 of Regulation No. 82-1 and a decision by default is rendered.
2. The Vermont resident producer license #40953 of Respondent, Alton L. Willard, is suspended for six months, effective immediately.
3. Respondent shall pay an administrative penalty in the amount of \$500.00 to the Department within 30 days of the execution of this Stipulation and Consent Order.

Dated at Montpelier, Vermont this 5<sup>th</sup> day of August, 2015.

  
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Susan L. Donegan, Commissioner  
Vermont Department of Financial Regulation