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Commissioner of Securities and Insurance (CSI)
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BEFORE THE OFFICE OF THE MONTANA STATE AUDITOR
COMMISSIONER OF SECURITIES AND INSURANCE

IN THE MATTER OF: SCOTT XAVIER WILLIAMS a.k.a. MICHAEL WILLIAMS, Respondent.	CASE NO. INS-2013-62 FINAL AGENCY DECISION BY DEFAULT
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On December 29, 2014, the Office of the Montana State Auditor, Commissioner of Securities and Insurance (CSI), filed a Notice of Proposed Agency Action and Opportunity for Hearing (Notice) against Respondent Scott Xavier Williams a.k.a. Michael Williams (Respondent). The Notice alleged that Respondent violated the Montana Insurance Code, Mont. Code Ann. § 33-1-101 et seq. (the Code).

On December 29, 2014, the CSI served a Notice of Proposed Agency Action and Opportunity for Hearing to Respondent at his last known address by mail. Respondent has failed to plead or otherwise defend in this matter.

On April 13, 2015, the CSI moved for entry of a final agency decision by default against Respondent.

Based upon the CSI's motion and attached Affidavit of Mike Winsor, the Commissioner of Securities of Insurance, Montana State Auditor (Commissioner), makes the following determinations:

FINDINGS OF FACT

1. At all times material hereto, Respondent Scott Xavier Williams (Respondent) was the owner of a 1994 Pontiac Bonneville (the Vehicle) which was insured under his State Farm and Casualty Company (the Company) automobile insurance policy number 0446-210-65 (the Policy).
2. On or about August 8, 2012, Respondent made, or caused to be made, a partial theft and vandalism claim for payment indemnifying his purported loss with the Company on the Vehicle under the Policy (the Claim).
3. Pursuant to the Claim, Respondent made representations to the Company that items had been stolen from the Vehicle.
4. An investigation conducted by the Yellowstone County Sheriff's Office revealed that the various items Respondent represented to the Company as stolen from the Vehicle had not been stolen and had either been pawned, or sold to a pawn shop by the Respondent, or were otherwise within the Respondent's possession or control at the time the Respondent reported them as stolen.
5. The Company settled the Claim with Respondent as a total loss, and paid the Respondent \$594.00, representing the vehicle value of \$1,405.00, less a \$500.00 deductible, and \$311.00 owner-retained salvage. Additionally, the Company paid \$685.00 for towing and storage of the Vehicle, for a total financial loss to the Company of \$1,279.00.

5. The Company reported this matter as suspected fraud to the CSI pursuant to § 33-1-1205.

CONCLUSIONS OF LAW

1. The Commissioner has jurisdiction over this matter pursuant to Mont. Code Ann. § 33-1-101 et seq.

2. “A person commits the act of insurance fraud when the person for the purpose of obtaining any money or benefit, presents or causes to be presented to any insurer . . . any written or oral statement . . . containing false, incomplete, or misleading information concerning any fact or thing material to, as part of, or in support of a claim for payment or other benefit pursuant to an insurance policy.” § 33-1-1202(1).

3. By presenting oral statements to the Company which contained false, incomplete, or misleading information in support of his partial theft and vandalism insurance claim with the purpose of obtaining payment, Respondent violated § 33-1-1202(1).

4. Pursuant to §§ 33-1-317 and 33-1-1211, the Commissioner may impose a fine upon the Respondent up to \$25,000 per violation of the Code, require the Respondent to pay the costs of the proceedings herein, and require the Respondent to make restitution to the Company for all financial loss sustained as a result of the fraud.

ORDER

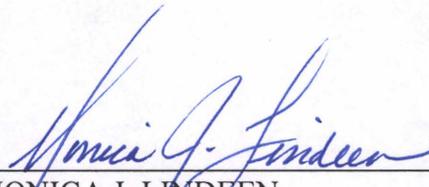
Based on those findings of fact and conclusions of law, it is ORDERED that:

1. Respondent shall pay a fine of \$3,000 to the Montana State Auditor’s Office, 840 Helena Avenue, Helena, MT 59601;

2. Respondent shall make restitution to the Company for all financial loss sustained as a result of the Respondent's fraud in the amount of \$1,279.00 together with interest at the rate of ten percent per year from the date of the fraud which must be made payable to State Farm Insurance Claims, Attn: Claim #26-171V-515, PO Box 52257, Phoenix, AZ 85072-2257; and

3. All restitution and fines must be paid no later than thirty (30) days from the date of this order.

DATED this 11th of May, 2015.



MONICA J. LINDEEN
Montana State Auditor,
Commissioner of Securities and Insurance

CERTIFICATE OF SERVICE

This is to certify that a true and accurate copy of the Final Agency Decision by Default was sent by U.S. mail, postage paid, this 12th day of May, 2015, to the following:

Scott Xavier Williams

