BEFORE ALLAN L . MCVEY INSURANCE COMMISSIONER OF THE STATE OF WEST VIRGINIA

In re: Dhruv Sachdeva
NPN 19074578

Admin. Proceeding No. 25-IC-179886

In re: Drew Scott LLC
NPN 21145653

Admin. Proceeding No. 25-IC-179887

FINAL ORDER

The undersigned Insurance Commissioner of the State of West Virginia hereby adopt and approve the Recommended Decision of the Hearing Examiner, appended hereto, as well as the findings of fact and conclusions of law therein contained. It is consequently ORDERED that the West Virginia Offices of the Insurance Commissioner proved that the Respondent 1, Dhruv Sachdeva, violated West Virginia Code §§ 33-12-24(b)(1), 33-12-24(b)(2), 33-12-24(b)(3), 33-12-24(b)(8), 33-12-24(b)(9), 33-12-24(b)(10), and 33-12-34(a) and that Respondent 2, Drew Scott LLC, violated West Virginia Code § 33-12-24(b)(1),

Due to the proven violations and as authorized under West Virginia Code § 33-12-1, and § 33-12-24(b), it is **HEREBY ORDERED** that the West Virginia producer licenses of the Respondents 1 and 2 are hereby revoked, Respondent 1 be fined $3,500.00 and Respondent 2 be fined $500.00.

Pursuant to W. Va. Code §33-2-13, it is further ORDERED that the Respondent shall pay the administrative costs incurred in this proceeding in the amount of $1,114.50.

The objections of any party aggrieved by this Order and to the Recommended Decision herein adopted are preserved.

The Commissioner's final orders are subject to judicial review in the Intermediate Court of Appeals as set forth in W.Va. Code § 51-11-4(b)(4). Any person aggrieved by this Order may, **within 30 days of the entry of the judgment being appealed**, file an appeal as set forth in W.Va. Code § 33-2-14 and Rule 5(b) of the West Virginia Rules of Appellate Procedure.

ENTERED this 4th day of August, 2025.

Allan L. McVey

ALLAN L. MCVEY, CPCU, ARM, AAI, AAM, AIS
INSURANCE COMMISSIONER

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RECOMMENDED DECISION OF THE HEARING EXAMINER

On May 26, 2025, a hearing was held before Hearing Examiner Mark W. Carbone, Esquire, at the Office of the Insurance Commissioner, Charleston, West Virginia. Appearing on behalf of the West Virginia Offices of the Insurance Commissioner was Andrew S. Ryan, Esq., Rob Grishaber, Director of Licensing, and Jo Taylor, Licensing Specialist. No one made an appearance on behalf of Drew Scott LLC or Dhruv Sachdeva. Following the hearing, the matter was deemed submitted for recommended decision.

Based upon a thorough review of the entire record in this case, the undersigned now makes the following Findings of Fact and Conclusions of Law.

Findings of Fact

1. On April 2, 2025, a certified letter was sent to Dhruv Sachdeva (hereinafter "Respondent 1") by the West Virginia Offices of the Insurance Commissioner. The certified letter contained a copy of a Complainant filed against this nonresident producer. An attempt was made to deliver the certified letter to Mr. Sachdeva's address at [redacted], Clawson, Michigan 28071. According to the tracking documentation, Respondent 1 no longer resides at this address. (Tr. P. 5; Ex. A and B)

2. On April 2, 2025, a certified letter was sent to Drew Scott LLC (hereinafter "Respondent 2") by the West Virginia Offices of the Insurance Commissioner. The certified letter contained a copy of a Complaint filed against this licensed entity. The Complainant was delivered to [redacted], Warren, Michigan 48093. (Tr. P. 5-6; Ex. C and D)

3. On September 20, 2024, an Order was entered by the Wisconsin Office of the Commissioner of Insurance. This Order revoked Respondent 1's producer license in Wisconsin and fined Respondent 1 $10,000.00. This Order was based on the finding by the Wisconsin Office of the Commissioner of Insurance that Respondent 1 had committed unfair trade practices in Wisconsin. (Tr. P. 6-7; Ex. E)

4. Prior to the issuance of the Wisconsin Order, there was a hearing in which Respondent 1 participated. Respondent 1 had been charged with engaging in false and deceptive communications with clients as a method of inducing sales. (Tr. P. 7; Ex. E)

5. Mr. Grishaber, Director of Licensing for the West Virginia Offices of the Insurance Commissioner, presented Respondent 1's electronic application form which had been filed with the West Virginia Offices of the Insurance Commissioner in 2022. On that application, Respondent 1 listed his resident, business and mailing address as [redacted], Clawson, Michigan. This address had not been updated by Respondent 1 since his application had been completed. (Tr. P. 8-9; Ex. F)

6. Since the application was filed in 2022, Respondent 1 has not reported any regulatory action taken against his license by any state. (Tr. P. 9)

7. Mr. Grishaber also presented the electronic application for Respondent 2 which was filed on November 7, 2024. The information contained in this application was completed by Respondent 1. In addition, the application indicated that Respondent 1 is the designated

responsible licensed producer for Respondent 2. (Tr. P. 9-11; Ex. G)

8. On the electronic application for Respondent 2, a question was asked whether any owners or designated responsible licensed producers has had any administrative actions taken against them. Respondent 1 indicated that no administrative actions had been taken against the owners or designated responsible licensed producers of Respondent 2. (Tr. 10-11; Ex G)

9. Mr. Grishaber testified that if the application of Respondent 2 had indicated that Respondent 1 had an administrative action against him in September of 2024, the November 2024 application would not have been approved by the Licensing Department of the West Virginia Offices of the Insurance Commissioner. (Tr. P. 11-12)

10. The Wisconsin Office of the Commissioner of Insurance sent the West Virginia Offices of the Insurance Commissioner an Order revoking Respondent 1's producer license. (Tr. P. 12; Ex. E)

11. At the time of the conclusion of the hearing, no one had made an appearance on behalf of Respondent 1 or Respondent 2.

Issue

Whether the Respondent 1 violated West Virginia Code §§ 33-12-24(b)(1), 33-12-24(b)(2), 33-12-24(b)(3), 33-12-24(b)(8), 33-12-24(b)(9), 33-12-24(b)(10), and/or 33-12-34(a) and whether Respondent 2 violated West Virginia Code § 33-12-24(b)(1), if so, what is the remedy?

Burden of Proof

The West Virginia Offices of the Insurance Commissioner has the burden of proof to prove, by a preponderance of the evidence, that the Respondent violated the insurance laws of the State of West Virginia.

Jurisdiction

The West Virginia Offices of the Insurance Commissioner has jurisdiction over this matter under West Virginia Code § 33-12-1.

Analysis

The West Virginia Offices of the Insurance Commissioner issued an Administrative Complaint against Respondent 1 and Respondent 2 on April 2, 2025. In the first Complaint it was alleged that Respondent 1 violated West Virginia Code §§ 33-12-24(b)(1), 33-12-24(b)(2), 33-12-24(b)(3), 33-12-24(b)(8), 33-12-24(b)(9), 33-12-24(b)(10), and/or 33-12-34(a). In the second Complaint it was alleged that Respondent 2 violated West Virginia Code § 33-12-24(b)(1).[1]

The first issue to address is whether Respondent 1 violated West Virginia Code § 33-12-24(b)(1) which states as follows:

> (b) The Insurance Commissioner may place on probation, suspend, revoke or refuse to issue or renew an insurance producer's license, solicitor's license or excess line broker's license, or may levy a civil penalty or any combination of actions, for any one or more of the following causes:
>
> (1) Providing incorrect, misleading, incomplete or materially untrue information in the license application[.]

The basis of this alleged violation is the fact that Respondent completed the application for Respondent 2 and that application failed to indicate that Respondent 1, who is the designated responsible licensed producer for and owner of Respondent 2, had an adverse administrative action taken against his producer license in Wiscosin.

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[1]In the original Complaint against Respondent 2 it was also alleged that it violated West Virginia Code violated West Virginia Code §§ 33-12-24(b)(2), 33-12-24(b)(9), and/or 33-12-34(a). During the hearing the West Virginia Offices of the Insurance Commissioner withdrew those charges.

This West Virginia Code Section forbids the applicant for a producer license to provide materially untrue information on the license application. The evidence was that Respondent 1 did provide materially untrue information on the license application for Respondent 2. In addition, Mr. Grishaber testified that if he had known that Respondent 1 had an administrative action against his license when he was reviewing the application of Respondent 2, he would have denied the application.

Therefore, the West Virginia Offices of the Insurance Commissioner proved that Respondent 1 violated West Virginia Code § 33-12-24(b)(1).

The next issue to address is to determine whether Respondent 1 violated West Virginia Code § 33-12-24(b)(2) which states as follows:

> (b) The Insurance Commissioner may place on probation, suspend, revoke or refuse to issue or renew an insurance producer's license, solicitor's license or excess line broker's license, or may levy a civil penalty or any combination of actions, for any one or more of the following causes:
> . . .
> (2) Violating any insurance laws, or violating any regulation, subpoena or order of the Insurance Commissioner or of another state's Insurance Commissioner[.]

This Code Section forbids any licensed producer from violating another state's insurance laws. The evidence presented was that Respondent 1 was found in violation of the State of Wisconsin's insurance laws. The Order issued by the Wisconsin Office of the Commissioner of Insurance stated that Respondent 1 had engaged in unfair trade practices in the State of Wisconsin. The Order revoked Respondent 1's producer license and fined him $10,000.00. Respondent 1 was present at the hearing and had the opportunity to defend himself from the allegations.

The Order issued by the Wisconsin Office of the Commissioner of Insurance proved that Respondent 1 violated the insurance laws of the State of Wisconsin, thus, proving that

Respondent 1 violated West Virginia Code § 33-12-24(b)(2).

Next, it must be determined whether Respondent 1 violated West Virginia Code § 33-12-24(b)(3). The Statute states as follows:

> (b) The Insurance Commissioner may place on probation, suspend, revoke or refuse to issue or renew an insurance producer's license, solicitor's license or excess line broker's license, or may levy a civil penalty or any combination of actions, for any one or more of the following causes:
> . . .
> (3) Obtaining or attempting to obtain a license through misrepresentation or fraud[.]

As was stated above, Respondent 1 failed to disclose the fact that the State of Wisconsin had revoked his producer license when he was completing the application for Respondent 2. The failure to disclose this information is fraudulent since Respondent 1 answered the question of whether the designated responsible licensed producer or owner had any administrative action taken against him in the negative. The West Virginia Offices of the Insurance Commissioner proved that Respondent 1's answer was fraudulent, therefore, the West Virginia Offices of the Insurance Commissioner presented evidence that Respondent 1 violated West Virginia Code § 33-12-24(b)(3).

The next allegation is whether Respondent 1violated West Virginia Code § 33-12-24(b)(8), which states as follows:

> (b) The Insurance Commissioner may place on probation, suspend, revoke or refuse to issue or renew an insurance producer's license, solicitor's license or excess line broker's license, or may levy a civil penalty or any combination of actions, for any one or more of the following causes:
> . . .
> (8) Having admitted or been found to have committed any insurance unfair trade practice or fraud[.]

The West Virginia Offices of the Insurance Commissioner introduced an Order from the Wisconsin Office of the Commissioner of Insurance that held that Respondent 1engaged in

unfair trade practices in Wisconsin. This Order is sufficient to prove that Respondent 1 violated West Virginia Code § 33-12-24(b)(8).

The next allegation contained in the Complaint is that Respondent 1 violated West Virginia Code § 33-12-24(b)(9), which states as follows:

> (b) The Insurance Commissioner may place on probation, suspend, revoke or refuse to issue or renew an insurance producer's license, solicitor's license or excess line broker's license, or may levy a civil penalty or any combination of actions, for any one or more of the following causes:
> . . .
> (9) Using fraudulent, coercive, or dishonest practices, or demonstrating incompetence, untrustworthiness or financial irresponsibility in the conduct of business in this state or elsewhere[.]

In the Order by the Wisconsin Office of the Commissioner of Insurance, Respondent 1 was found to have engaged in false and deceptive communication with clients as a method of inducing sales. This Order proves that Respondent 1 did engage in dishonest practices in the State of Wisconsin, thus proving that Respondent 1 violated West Virginia Code § 33-12-24(b)(9).

The next issue to address is whether Respondent 1 violated West Virginia Code § 33-12-24(b)(10). That Code Section states as follows:

> (b) The Insurance Commissioner may place on probation, suspend, revoke or refuse to issue or renew an insurance producer's license, solicitor's license or excess line broker's license, or may levy a civil penalty or any combination of actions, for any one or more of the following causes:
> . . .
> (10) Having an insurance producer license, solicitor license, excess line broker license or its equivalent, denied, suspended or revoked in any other state, province, district or territory[.]

West Virginia Code § 33-12-24(b)(10) allows the West Virginia Offices of the Insurance Commissioner to revoke an individual's producer license if that individual's producer license has been revoked in another jurisdiction. As was discussed above, Respondent 1's producer license

was revoked by the Wisconsin Office of the Commissioner of Insurance in an Order issued on April 25, 2025.

By introducing this Order into evidence, the West Virginia Offices of the Insurance Commissioner proved that Respondent 1's producer license has been revoked in another state. This evidence proves that Respondent 1 violated West Virginia Code § 33-12-24(b)(10).

The final allegation alleged in the Complaint against Respondent 1 alleges that Respondent 1 violated West Virginia Code § 33-12-34(a), which is as follows:

> (a) A producer shall report to the Insurance Commissioner any administrative action taken against the producer in another jurisdiction or by another governmental agency in this state within thirty days of the final disposition of the matter. This report shall include a copy of the order, consent to order or other relevant legal documents.

It was the testimony of Mr. Grishaber that Respondent 1 did not report the Order of the Wisconsin Office of the Insurance Commissioner wherein Respondent 1's producer license was revoked. The Order was issued on September 20, 2024. As of the date of the hearing, which was beyond thirty days since the Order was issued, Respondent 1 had not reported the revocation to the West Virginia Offices of the Insurance Commissioner.

By proving that Respondent 1's producer license had been revoked and that Respondent 1 did not report that action to the West Virginia Offices of the Insurance Commissioner, it proved that Respondent 1 violated West Virginia Code § 33-12-34(a).

The only allegation against Respondent 2 that was not withdrawn during the hearing was a violation of West Virginia Code § 33-12-24(b)(1) which states as follows:

> (b) The Insurance Commissioner may place on probation, suspend, revoke or refuse to issue or renew an insurance producer's license, solicitor's license or excess line broker's license, or may levy a civil penalty or any combination of actions, for any one or more of the following causes:
>
> (1) Providing incorrect, misleading, incomplete or materially untrue information in the license application[.]

As discussed above, Respondent 1 failed to disclose the administrative action taken against him when completing the application for Respondent 2. This action was materially untrue, therefore, a violation of West Virginia Code § 33-12-24(b)(1).

Conclusions of Law

1. The West Virginia Offices of the Insurance Commissioner have jurisdiction over this matter under West Virginia Code § 33-12-1.

2. The West Virginia Offices of the Insurance Commissioner has the burden of proof, by a preponderance of the evidence, to prove that Respondent 1 violated West Virginia Code §§ 33-12-24(b)(1), 33-12-24(b)(2), 33-12-24(b)(3), 33-12-24(b)(8), 33-12-24(b)(9), 33-12-24(b)(10), and/or 33-12-34(a) and that Respondent 2 violated West Virginia Code § 33-12-24(b)(1).

3. The West Virginia Offices of the Insurance Commissioner proved, by a preponderance of the evidence, that the Respondent 1violated West Virginia Code § 33-12-24-(b)(1) when it proved that Respondent 1 provided materially untrue information on the license application for Respondent 2.

4. The West Virginia Offices of the Insurance Commissioner proved, by a preponderance of the evidence, that Respondent 1 violated West Virginia Code § 33-12-24-(b)(2) when it proved that Respondent 1 had engaged in unfair trade practices in the State of Wisconsin.

5. The West Virginia Offices of the Insurance Commissioner proved, by a

preponderance of the evidence, that the Respondent 1 violated West Virginia Code § 33-12-24-(b)(3) when it proved that Respondent 1 failed to disclose the fact that the State of Wisconsin had revoked his producer license when he was completing the application for Respondent 2.

6. The West Virginia Offices of the Insurance Commissioner proved, by a preponderance of the evidence, that Respondent 1 violated West Virginia Code § 33-12-24-(b)(8) when it proved that Respondent 1 received an Order from the Wisconsin Office of the Commissioner of Insurance which found that Respondent 1engaged in unfair trade practices in Wisconsin.

7. The West Virginia Offices of the Insurance Commissioner proved, by a preponderance of the evidence, that Respondent 1 violated West Virginia Code § 33-12-24-(b)(9) when it proved that Respondent 1 engaged in false and deceptive communications with clients as a method of inducing sales in Wisconsin.

8. The West Virginia Insurance Commissioner established, by a preponderance of the evidence, that Respondent 1 violated West Virginia Code § 33-12-24-(b)(10) when Wisconsin revoked Respondent 1's producer license on April 25, 2025.

9. The West Virginia Offices of the Insurance Commissioner proved, by a preponderance of the evidence, that Respondent 1 violated West Virginia Code § § 33-12-34(a) when it proved that Respondent 1's Wisconsin producer license had been revoked and that Respondent 1 did not report that action to the West Virginia Offices of the Insurance Commissioner within thirty days.

10. The West Virginia Offices of the Insurance Commissioner proved, by a preponderance of the evidence, that Respondent 2 violated West Virginia Code § 33-12-24-(b)(1) when it proved that Respondent 1 provided materially untrue information on the license

application for Respondent 2.

11. The West Virginia Offices of the Insurance Commissioner can suspend or revoke a producer license and/or issue a civil penalty under West Virginia Code § 33-12-24-(b) if it is proven that Respondent 1 or 2 violated a subsection of that Code.

RECOMMENDED DECISION

It is the recommendation of the Hearing Examiner that the Complaint issued by the West Virginia Offices of the Insurance Commissioner against Respondent 1 is supported by the evidence and Respondent 1 should have his West Virginia non-resident producer license revoked and be fined $500.00 for each count that he violated. It is also the recommendation of the Hearing Examiner that the Complaint issued by the West Virginia Offices of the Insurance Commissioner against Respondent 2 is supported by the evidence and Respondent 2 should have its West Virginia producer license revoked and be fined $500.00.

Mark Carbone
July 14, 2024