

M. GALE LEMMON #4363  
Assistant Attorney General  
MARK L. SHURTLEFF #4666  
Attorney General  
Attorneys for Utah Insurance Department  
State Office Building, Room 3110  
Salt Lake City, UT 84114  
Telephone (801) 538-3872

RECEIVED  
MAR 10 2009  
UTAH STATE  
INSURANCE DEPT

**BEFORE THE INSURANCE COMMISSIONER  
OF THE STATE OF UTAH**

COMPLAINANT:

UTAH INSURANCE DEPARTMENT

RESPONDENT:

DISCOVER PROPERTY & CASUALTY  
INSURANCE COMPANY  
5 Batterson Park Rd.  
Farmington, CT 60632  
Utah Id. No. 1200

STIPULATION  
&  
ORDER

Docket No. 2009-034 PC

Enf. Case No. 2350

**STIPULATION**

1. Respondent, Discover Property & Casualty Insurance Company, is an insurance company domiciled in the State of Illinois and authorized to do business in the State of Utah, Utah Company Identification No. 1200.

2. Respondent stipulates with the Complainant, Utah Insurance Department, as follows:  
a. If a hearing were held, witnesses called by the Complainant could offer and introduce evidence that would support the Findings of Fact herein;

b. Respondent admits the Findings of Fact and Conclusions made therefrom;

c. Respondent stipulates to the summary entry of the Order herein which shall be in lieu of other administrative proceedings by Complainant in this matter; and

d. Respondent and Complainant have negotiated the terms of the Order entered herein and Respondent agrees to its entry and further agrees to be bound by all its terms.

3. Respondent is aware of its right to a hearing at which it may be represented by counsel, present evidence and cross-examine witnesses. Respondent has irrevocably waived its right to such hearing and to any appeal related thereto.

4. Respondent admits the jurisdiction of the State of Utah Insurance Commissioner as to all matters herein.

5. Respondent is acting herein free from any duress or coercion of any kind or nature, having been advised fully as to its rights set forth herein.

6. Respondent acknowledges that the issuance of this Order by the Commissioner is solely for the purpose of disposition of the matter entitled herein.

DATED this 9<sup>th</sup> day of MARCH, 2009.



DISCOVER PROPERTY & CASUALTY  
INSURANCE COMPANY  
Edward Colechia, Vice Pres. Claims



UTAH INSURANCE DEPARTMENT  
M. Gale Lemmon, Assistant Attorney General

Based upon the foregoing Stipulation and information in the file, the Presiding Officer makes the following Findings of Fact:

**FINDINGS OF FACT**

1. Beginning in the year 2000, Respondent hired Hertz Claim Management Corporation (Hertz) to handle about three (3) claims involving insurance for National Express Corporation, and on or about March 1, 2007, contracted with Hertz to handle Public Storage claims in the State of Utah.

2. At the time Respondent utilized the services of Hertz to handle claims in Utah, Hertz was not licensed as an adjuster in the State of Utah, and Hertz adjusted about 82 claims in Utah for Respondent while not licensed.

3. Upon being informed that Hertz was not licensed as an adjuster in Utah, Respondent immediately required them to become licensed, which occurred on November 18, 2008.

Based upon the foregoing Stipulation and Findings of Fact, the Presiding Officer enters the following Conclusions of Law:

**CONCLUSIONS OF LAW**

1. In utilizing the services of an adjuster that was not licensed in this state, Respondent violated Utah Code Annotated § 31A-26-201.

Based upon the foregoing Stipulation, Findings of Fact and Conclusions of Law, the Presiding Officer herewith enters the following Order:

**ORDER**

IT IS HEREBY ORDERED:

1. Respondent is assessed an administrative forfeiture in the amount of \$5,000.00, to be paid within 30 days of the date of this Order.

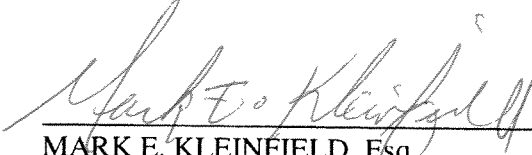
**NOTIFICATION**

Respondent is hereby notified that failure to abide by the terms of this Order may subject it to further penalties, including additional forfeitures of up to \$5,000.00 per violation and the suspension or revocation of its license, and the filing of an action to enforce this Order in the District Court, which may impose penalties of up to \$10,000.00 per day for continued violation.

You are further notified that other jurisdictions in which you may be licensed may require that you report this action to them.

DATED this 12<sup>th</sup> day of March, 2009.

D. KENT MICHIE  
INSURANCE COMMISSIONER

  
\_\_\_\_\_  
MARK E. KLEINFELD, Esq.  
Administrative Law Judge  
Utah Insurance Department  
State Office Building, Room 3110  
Salt Lake City, Utah 84114  
Telephone (801) 538-3800

CERTIFICATE OF MAILING

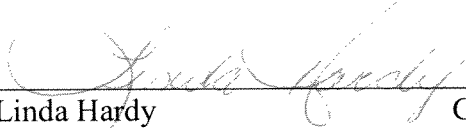
I do hereby certify that on this date I mailed, by regular mail, postage prepaid a true and correct copy of the attached:

STIPULATION  
&  
ORDER

To the following:

Discover Property & Casualty Ins Co  
5 Batterson Park Road  
Farmington, CT 60632

DATED this 16<sup>th</sup> day of March, 2009.

  
\_\_\_\_\_  
Linda Hardy Court Clerk  
Utah Department of Insurance  
State Office Building, Room 3110  
Salt Lake City, UT 84114-6901

**UTAH  
Invoice - Original**

Printed Date: March 16, 2009  
Invoice Date: March 16, 2009  
Balance Due: \$5,000.00  
Due Date: April 11, 2009  
Invoice ID: 406256  
NAIC ID: 36463  
Payor ID: 1200

DISCOVER PROPERTY CASUALTY INSURANCE COMPANY  
5 BATTERSON PARK RD  
FARMINGTON CT 06032

<b>Item Description</b>	<b>Amount</b>
3/16/2009 Monetary Penalty Company E-Case 2350 Docket 2009 034 PC	\$5,000.00
<b>Original Amount Due</b>	<b>\$5,000.00</b>

**UTAH  
Invoice - Original**

Invoice Date: March 16, 2009  
Balance Due: \$5,000.00  
Due Date: April 11, 2009  
Invoice ID: 406256  
Payor ID: 1200  
Payor Name: DISCOVER  
PROPERTY &  
CASUALTY  
INSURANCE  
COMPANY

Make checks payable to: Utah Insurance Department

Send payment to:

Utah Insurance Department  
3110 State Office Building  
Salt Lake City, UT 84114-6901