

M. GALE LEMMON #4363  
Assistant Attorney General  
MARK L. SHURTLEFF #4666  
Attorney General  
Attorneys for Utah Insurance Department  
160 East 300 South, Fifth Floor  
P.O. Box 140874  
Salt Lake City, UT 84114-0874  
Telephone (801) 366-0375



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

**COMPLAINANT:**

UTAH INSURANCE DEPARTMENT

**RESPONDENTS:**

A ACTIVE INSURANCE AGENCY, INC.  
License No. 90603  
JAMES W. RICHE  
License No. 63260  
3507 West 4700 South  
Taylorsville, UT 84118

**STIPULATION  
&  
ORDER**

**Docket No. 2011-012 PC**

Enf. Case No. 2741

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**STIPULATION**

1. Respondent A Active Insurance Agency, Inc. ("A Active"), is a licensed insurance agency in the State of Utah, holding License No. 90603. Respondent James W. Riche ("Riche") is a licensed resident individual insurance producer, holding License No. 63260, and is the owner and manager of Respondent A Active.
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.

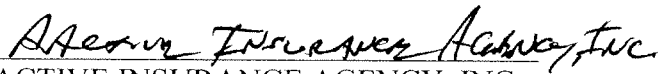
3. Respondent is aware of his right to a hearing at which he may be represented by counsel, present evidence and cross-examine witnesses. Respondent has irrevocably waived his right to such hearing and to any appeal related thereto.

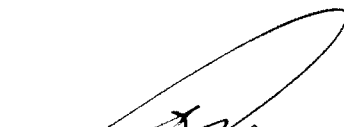
4. Respondent admits the jurisdiction of the State of Utah Insurance Commissioner as to all matters herein.

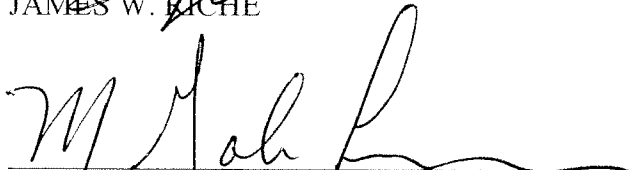
5. Respondent is acting herein free from any duress or coercion of any kind or nature, having been advised fully as to his rights set forth herein.

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 16<sup>th</sup> day of FEBRUARY, 2010.

  
A ACTIVE INSURANCE AGENCY, INC.  
James W. Riche, Owner

  
\_\_\_\_\_  
JAMES W. RICHE

  
\_\_\_\_\_  
UTAH INSURANCE DEPARTMENT  
M. Gale Lennon, 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. Respondent A Active Insurance Agency, Inc. (“A Active”), is a corporation domiciled in the State of Utah and licensed in the State of Utah as a resident agency insurance producer, License No. 90603. Respondent James W. Riche (“Riche”), is a licensed individual insurance producer in the State of Utah, License No. 63260, and is the president, director, registered agent, and owner of Respondent A Active, and is designated on the license of Respondent A Active.

2. On February 1, 2010, the department issued a Cease and Desist Order naming, among others, A Active and Riche as Respondents, and ordering A Active and Riche to immediately cease: using the services of or accepting any business from any unlicensed insurance producer; using the services of or accepting business from any licensed insurance producer or consumer service representative not properly designated on the license of A Active; and other violations of the Utah Insurance Code or Rules, including but not limited to violations of trust obligations for funds received, failing to keep adequate business records, and improperly sharing commissions. (Docket No. 2010-012-PC, Enf. Case No. 2626).

3. On May 18, 2010, the department revoked the licenses of Bronson Insurance Agency, Darrin M. Bronson, and Shannon Riche-Bronson, the other Respondents named in the February 1, 2010, Cease and Desist Order. (Docket No. 2010-069-PC, Enf. Case Nos. 2639, 2640 & 2641).

4. Respondents knowingly allowed Shannon Riche-Bronson to market insurance for them when they knew that she did not hold a producers license.

5. Respondents knowingly allowing Darrin M. Bronson to represent A Active when Mr. Bronson was not designated on the license of A Active.

6. Respondents submitted policy applications to insurers signed by Darrin M. Bronson when they knew that Mr. Bronson did not meet with the insureds and had no knowledge of the information contained in the applications he signed.

7. Respondents allowed Shannon Riche-Bronson, Darrin Bronson and Bronson Insurance agency to retain premiums collected for the Respondents and did not require them to deposit them into a trust account by the close of the next business day.

8. Respondents failed to maintain accounting records in a manner that would facilitate an audit.

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

#### **CONCLUSIONS OF LAW**

1. Respondents violated Utah Code Annotated § 31A-23a-103(1)(c), by knowingly allowing a person to market insurance for them when they knew that she did not hold a producers license.

2. Respondents violated Utah Code Annotated § 31A-23a-302(1), by knowingly allowing a person to represent A Active when he was not designated on the license of A Active.

3. Respondents violated Utah Code Annotated § 31A-23a-402(1)(a)(i), by submitting policy applications to insurers signed a person they knew did not meet with the insureds and had no knowledge of the information contained in the applications he signed.

4. Respondents violated Utah Code Annotated § 31A-23a-409, by allowing those selling insurance on their behalf to retain premiums collected for the Respondents and not depositing them into a trust account by the close of the next business day.

5. Respondents violated Utah Administrative Code Rule R590-170-7, in failing to

maintain accounting records in a manner that would facilitate an audit.

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:

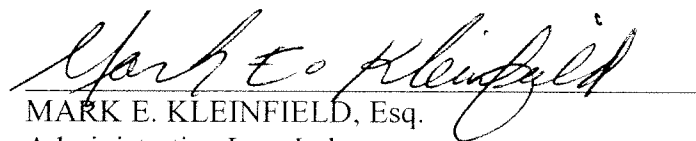
1. Respondents A Active Insurance Agency, Inc. and James W. Riche are assessed and administrative forfeiture, jointly and severally, in the amount of \$1,500.00.

2. The licenses of A Active Insurance Agency, Inc. and James W. Riche are placed on probation for a period of 24 months, beginning with the date of this Order. The terms of said probation are:

- a. Respondents shall have no further violations of the Utah Insurance Code or Rules or of any order of the commissioner.
- b. Respondents shall submit to periodic audits or examination by employees of the Utah Insurance Department to ascertain whether they are properly handling trust funds and maintaining accounting records in a manner that would facilitate an audit.

DATED this 24<sup>th</sup> day of February, ~~2010~~ 2011-45K

NEAL T. GOOCH  
INSURANCE COMMISSIONER



MARK E. KLEINFELD, Esq.  
Administrative Law Judge  
Utah Insurance Department  
State Office Building, Room 3110  
Salt Lake City, Utah 84111  
Telephone (801) 538-3800

### **NOTIFICATION**

Respondent is hereby notified that failure to abide by the terms of this Order may subject you to further penalties, including additional forfeitures of up to \$2,500.00 per violation and the suspension or revocation of your 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.