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BEFORE THE INSURANCE COMMISSIONER
 OF THE STATE OF UTAH

<p>COMPLAINANT:</p> <p>UTAH INSURANCE DEPARTMENT</p> <p>RESPONDENTS:</p> <p>KHORY V. CROCKETT License No. 203437</p> <p>KHORY VLENDI CROCKETT INSURANCE AGENCY License No. 103412</p> <p>700 South 183 West Salt Lake City, UT 84101</p>	<p>STIPULATION AND ORDER</p> <p>Docket No. 2011-005 PC</p> <p>Enf. Case No. 2748</p>
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STIPULATION

1. Respondent, Khory V. Cockett ("Crockett") a resident individual insurance producer in the State of Utah, License No. 203437. Respondent, Khory Vlendi Crockett

Insurance Agency (“the Agency”), is a licensed resident insurance agency producer in the State of Utah, License No. 103412, and is owned by Respondent Crockett.

2. Respondents stipulate 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. Respondents admits the Findings of Fact and Conclusions made therefrom;
- c. Respondent stipulate to the summary entry of the Order herein which shall be in lieu of other administrative proceedings by Complainant in this matter; and
- d. Respondents and Complainant have negotiated the terms of the Order entered herein and Respondents agree to its entry and further agree to be bound by all its terms.

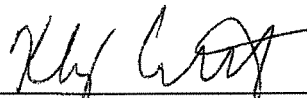
3. Respondents are aware of their right to a hearing at which they may be represented by counsel, present evidence and cross-examine witnesses. Respondents have irrevocably waived their right to such hearing and to any appeal related thereto.

4. Respondents admit the jurisdiction of the State of Utah Insurance Commissioner as to all matters herein.

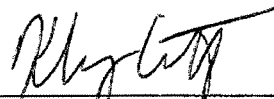
5. Respondents are acting herein free from any duress or coercion of any kind or nature, having been advised fully as to their rights set forth herein.

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


DATED this 26th day of JANUARY, 2011.



KHORY V. CROCKETT



KHORY WLENDI CROCKETT INS. AGENCY
Khory V. Crockett, Owner



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. Respondent, Khory V. Cockett ("Crockett") a resident individual insurance producer in the State of Utah, License No. 203437. Respondent, Khory Vlendi Crockett Insurance Agency ("the Agency"), is a licensed resident insurance agency producer in the State of Utah, License No. 103412, and is owned by Respondent Crockett. Both have been licensed in Utah since 2003.
2. On or June 30, 2010, the Property & Casualty Division received a consumer complaint against Respondents. The complainant stated that as a result of a duplicate payment on her homeowner's policy her escrow account increased drastically, yet she did not received a refund of the duplicate payment for over a year. A Department investigation was initiated.
3. On September 23, 2010, in a Department interview, the Respondent Crockett provided copies of his trust account statements for the previous 12 months.
4. During the interview, Respondent Crockett stated he had never reconciled his trust account statements.
5. On September 30, 2010, Respondent Crockett provided a signed statement explaining that in researching the whereabouts of complainant's money, it was his conclusion that complainant's money "must still be in my premium trust account."
6. Respondent Crockett also stated that beginning with the September 2010 statement, he would begin to reconcile his accounts, and again admitted that previously he had not reconciled his premium trust account.

7. Had Respondents been in compliance with Department Rule R590-1701(1) Corckett would have discovered the overpayment made by his insured and could have issued a timely refund.

8. Respondent Crockett states he understands and will comply with Department Rule R590-1707(1) going forward.

9. The Respondent Crockett has agreed to a recommend \$2,000 forfeiture and 12 months probation.

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

CONCLUSIONS OF LAW

1. Utah Admin. Code R590-1707 states:

(1) Bank statements for trust accounts shall be reconciled monthly.

(2) An accounts receivable report showing credits and debits shall be maintained and reconciled monthly. This report must list, at a minimum, the account name and the amount and date for each receivable. The sum of all receivables shall be shown on the report. Receivables and their sums that are over 90 days old shall be shown separately on the report.

(3) An accounts payable report showing the status of each account shall be maintained and reconciled monthly.

(4) Adequate records shall be maintained to establish ownership of all funds in the trust account: from whom they were received; and for whom they are held.

(5) Trust account registers shall maintain a running balance.

(6) All accounting records relating to the business of insurance shall be maintained in a manner that facilitates an audit.

2. Respondent violated the above Rule by failing to reconcile his trust account statements monthly.

3. An administrative forfeiture in the amount of \$2,000 is appropriate in this case.

4. Probation for a period of 12 months is appropriate in this case.

ORDER

1. Respondents Khory V. Crockett and Khory Vladi Crockett Insurance Agency are jointly assessed an administrative forfeiture in the amount of \$2,000.00 to be paid to the Department within thirty (30) days of issuance of this order.

2. Respondents licenses are placed on probation for a period of 12 months commencing with the date of this order. Terms of probation are:

A. Respondents shall provide evidence, acceptable to the commissioner, of the monthly reconciliation of their trust account. Said evidence shall be provided on or before 10 days following the end of each quarter during the period of probation beginning with the first calendar quarter of 2011.

B. Respondents shall have no further violations of the Utah Insurance Code or Rules or of any order of the commissioner.

NOTIFICATION

You are hereby notified that a failure to obey an Order of the Commissioner may subject you to further penalties, including forfeitures of up to \$5,000 per violation and the suspension or revocation of your license and the filing of an action in district court, which may impose forfeitures of up to \$10,000 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 10th day of February, 2011.

NEAL T. GOOCH
Insurance Commissioner



MARK E. KLEINFELD
Administrative Law Judge
Utah Insurance Department, Room 3110
Salt Lake City, UT 84114
Telephone: 801-538-3800