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BEFORE THE INSURANCE COMMISSIONER  
 OF THE STATE OF UTAH

**COMPLAINANT:**

UTAH INSURANCE DEPARTMENT

**RESPONDENT:**

DYNAMIC INSURANCE AGENCY  
 547 W. Columbia Lane  
 Provo, UT 84604  
 License No. 97892

**STIPULATION AND ORDER**

Docket No. 2011-142 LC

Enf. Case No. 2876

**STIPULATION**

1. Respondent, Dynamic Insurance Agency is a resident agency in the State of Utah holding license number 97892.
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.

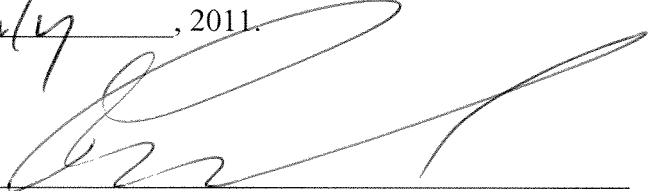
3. Respondent is aware of its right to a hearing at which it may be represented by counsel, present evidence and cross-examine witnesses. Respondent has irrevocably waived its right to such hearing and to any appeal related thereto.

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

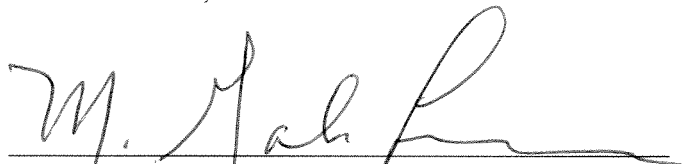
5. Respondent is acting herein free from any duress or coercion of any kind or nature, having been advised fully as to its rights set forth herein.

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

DATED this 12<sup>th</sup> day of July, 2011.



DYNAMIC INSURANCE AGENCY  
Pedro N. Mora, 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's owner, Pedro N. Mora, owns three insurance agencies, located in Arizona, and in Salt Lake City and Provo, Utah.

2. On March 3, 2010 two Department investigators visited Respondent's Provo office. They were greeted by Celia Ortiz who was asked if she could sell an insurance policy. Ms. Ortiz stated that she could.

3. The Department investigators then learned from Ms. Ortiz that she was not a licensed producer or a licensed customer service representative. Ms. Ortiz was the only employee in the office and stated that Mr. Mora, the owner, was working from his office in Arizona. Ms. Ortiz admitted that she should have been licensed.

4. A request for an explanation of how the agency was operated was made to the Respondent's owner, Pedro N. Mora. On March 9, 2010, the Mr. Mora clarified that both Utah offices were operating without licensed producers some of the time. He identified Maria Gonzalez and Celia Ortiz as non-licensed producers who were operating the two Utah agencies while he was out of town. He stated that he used instant messaging to stay in constant contact with his agency employees.

5. Respondent accepted responsibility and thereafter took remedial action, making sure office staff were properly licensed. Respondent is now compliant with Utah law.

6. On May 19, 2010, Maria Gonzalez passed the Utah insurance exam and became licensed to sell insurance June 1, 2010.

7. On November 11, 2010, Celia Ortiz passed the Utah insurance exam and became

licensed to sell insurance November 29, 2010.

8. On June 2, 2011, Respondent agreed to an administrative forfeiture of \$9,000.00 representing \$4,500.00 per agency for using non-licensed producers. Respondent requested that the forfeiture be paid in installments.

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

### CONCLUSIONS OF LAW

1. Utah Code Ann. § 31A-23a-103 addresses requirement of license.

(1) (a) Unless exempted from the licensing requirement under Section **31A-23a-201** or **31A-23a-207**, a **person may not perform, offer to perform, or advertise any service as a producer, limited line producer, customer service representative, consultant, managing general agent, or reinsurance intermediary in Utah, without a valid individual or agency license** issued under this chapter.

(b) A valid license includes at least one license type and one line of authority pertaining to that license type.

(c) **A person may not utilize the services of another as a producer, limited line producer, customer service representative, consultant, managing general agent, or reinsurance intermediary if that person knows or should know that the other does not have a license as required by law.**

(Emphasis added.)

2. Utah Code Ann. § 31A-23a-302 addresses agency designations.

**(1) An agency shall designate an individual that has an individual producer, limited line producer, customer service representative, consultant, managing general agent, or reinsurance intermediary license to act on the agency's behalf in order for the licensee to do business for the agency in this state.**

**(2) An agency shall report to the commissioner, at intervals and in the form the commissioner establishes by rule:**

- (a) a new designation; and**
  - (b) a terminated designation**
- (Emphasis added.)

3. Respondent violated the above provisions when it utilized unlicensed individuals as customer service representatives and/or producers in its two Utah offices.

4. An administrative forfeiture in the amount of \$9,000.00 to be paid in installments is appropriate in this matter.

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:**

Respondent Dynamic Insurance Agency is hereby an administrative forfeiture in the amount of \$9,000.00 to be paid to the Department in three equal payments of \$3,000.00. The first payment shall be made within 30 days of the issuance of this Order; the second payment shall be made within 60 days of the issuance of this Order; and the third payment shall be made within 90 days of the issuance of this Order.

**NOTIFICATION**

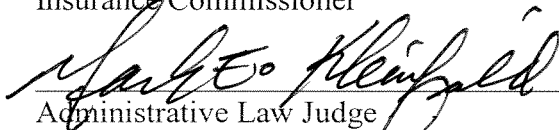
You are hereby notified that a failure to obey an Order of Commissioner may subject you to further penalties, including forfeitures of up to \$5,000 per violation and the suspension or revocation of your license and the filing of an action in district court, which may impose

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 ~~12~~<sup>20</sup> day of July, 2011.

NEAL T. GOOCH  
Insurance Commissioner



Administrative Law Judge  
Utah Insurance Department  
State Office Building Room 3110  
Salt Lake City, UT 84114  
Telephone 801-538-3800

CERTIFICATE OF MAILING

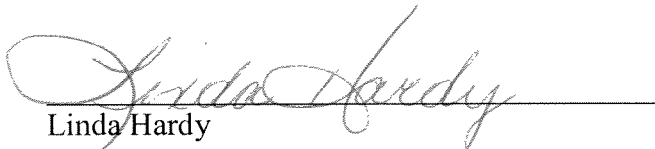
I do hereby certify that on this date I mailed, by regular mail postage prepaid, a true and correct copy of the attached:

STIPULATION  
&  
ORDER

To the following:

Dynamic Insurance Agency  
c/o Pedro N. Mora  
P.O. Box 12638  
Ogden, UT 84412-2638

DATED this 20<sup>th</sup> day of July, 2011

A handwritten signature in cursive script, reading "Linda Hardy", is written over a horizontal line.

Linda Hardy  
Market Conduct  
Utah Department of Insurance  
State Office Building, Room 3110  
Salt Lake City, UT 84114-6901

**UTAH  
Invoice**

Printed Date: July 20, 2011

Invoice Date: July 20, 2011  
Balance Due: \$9,000.00  
Due Date: August 19, 2011  
Invoice ID: 523010

DYNAMIC INSURANCE AGENCY  
547 W COLUMBIA LN  
PROVO UT 84604

<b>Item Description</b>	<b>Amount</b>
Monetary Penalty Agency	\$9,000.00
<b>Original Amount Due</b>	<u>\$9,000.00</u>
<b>Payments Received</b>	
	<u><b>Balance Due</b></u>

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**UTAH  
Invoice**

Printed Date: July 20, 2011

Invoice Date: July 20, 2011  
Balance Due: \$9,000.00  
Due Date: August 19, 2011  
Invoice ID: 523010

Make checks payable to: Utah Insurance Department

Send payment to:

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