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UTAH STATE  
INSURANCE DEPARTMENT

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P.O. Box 140874  
Salt Lake City, UT 84114-0874  
Telephone: 801.366.0375

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BEFORE THE INSURANCE COMMISSIONER  
OF THE STATE OF UTAH

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**COMPLAINANT:**

UTAH INSURANCE DEPARTMENT

**RESPONDENTS:**

ASEGURANZA PARA AUTOS  
Attn: Ryan O'Hara  
576 Hwy 133  
Carbondale, CO 81623  
License No. 376443

CLAUDIA ARRIAGA  
1839 W. 3500 S., Suite 2E  
West Valley City, UT 84119  
License No. 378715

**STIPULATION AND ORDER**

Docket No. 2011-162 LC

Enf. Case Nos. 2925 and 2926

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**STIPULATION**

1. Respondent, Aseguranza Para Autos is a non-resident insurance agency in the State of Utah holding license number 376443. Respondent Claudia Arriaga (aka Claudia

Arriaga-Figueroa) is an employee of Aseguranza Para Autos, and is a licensed resident consumer service representative holding license number 378715.

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 admit the Findings of Fact and Conclusions made therefrom;
- c. Respondents 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.

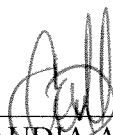
6. Respondents acknowledge that the issuance of this Order by the Commissioner is

solely for purpose of disposition of the matter entitled herein.

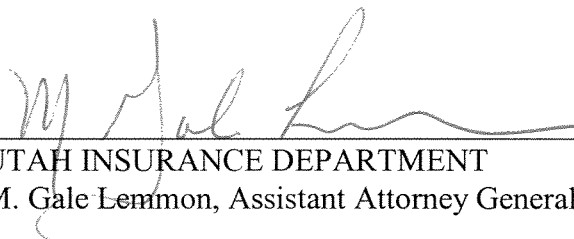
DATED this 5<sup>th</sup> day of August, 2011.



ASEGURANZA PARA AUTOS  
Ryan O'Hara, President



CLAUDIA ARRIAGA



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. On or about April 5, 2011, the Property and Casualty Division received a complaint alleging that Respondent Aseguranza Para Autos was giving a \$10 rebate/credit to customers who referred someone to the agency.

2. When a Department employee contacted the agency, he spoke with Respondent Claudia Arriaga and Jessica Valdez, who both stated they were employees of Respondent agency. When asked about their duties, both stated that they could quote and write auto insurance. A check of Department records indicated that neither Arriaga nor Valdez were licensed.

3. At that time, Department records indicated that Respondent Aseguranza Para Autos was a licensed non-resident producer organization with Ryan O'Hara a non-resident producer designated to the agency.

4. On April 11, 2011, a Department employee spoke via telephone with Ryan O'Hara who stated he was one of the owners of Respondent Aseguranza Para Autos. O'Hara identified James Hazelrigs as a partner in the agency. O'Hara further admitted that Arriaga and Valdez were running the agency in his absence and were not licensed. He said it was Arriaga's idea to give customers a \$10 rebate/credit for referrals. O'Hara then assured the Department that he would be present at the agency the next day and would stay there until a properly licensed producer was in place to act on behalf of the agency.

5. On April 26, 2011, O'Hara and Hazelrigs met with the Department to discuss the

operations of the agency. Both O'Hara and Hazelrigs took responsibility for the above noted violations. O'Hara explained that Valdez had left the agency's employment, but Arriaga was in the process of obtaining her CSR license He stated that he had hired a resident licensed producer to act for the agency, and that he was in the process of obtaining a proper resident agency license. Assurances were given that the rebate program had been halted.

6. The Respondents took responsibility for the violations and agreed to the Department recommendation to resolve the issue. The Department agreed that the forfeitures may be paid over a period of six months.

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.**

2. By conducting business through two unlicensed individuals acting as producers,

Respondent Aseguranza Para Autos violated the above provision.

3. Respondent Claudia Arriaga violated the above provision by performing services as a CSR/producer without an individual license.

4. Utah Code Ann. § 31A-23a-301 requires an agency to designate a licensed individual to act on behalf of the agency in this state. By failing to designate Arriaga or Valdez to act on behalf of the agency, Respondent Aseguranza Para Autos violated Utah Code Ann. Section 31A-23a-402.5.

5. Utah Code Ann. § 31A-23a-402.5 addresses inducements and prohibits giving a premium or commission rebate. Respondent Aseguranza Para Autos violated this provision by offering customers a \$10 rebate/credit for referrals.

6. As to Respondent Aseguranza Para Autos, an administrative forfeiture in the amount of \$6,000 for using an unlicensed employee to act on behalf of the agency is appropriate; an administrative forfeiture in the amount of \$4,000 for the rebate inducement program is appropriate; and an administrative forfeiture in the amount of \$1500 for doing business without a proper agency license is appropriate.

7. As to Respondent Claudia Arriaga, an administrative forfeiture in the amount of \$1500 for performing the duties of a CSR/producer without a license is appropriate.

8. As to both Respondents, probation for a period of 12 months is appropriate.

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:**

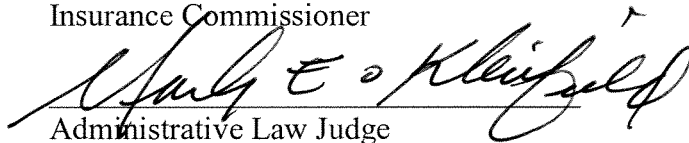
1. Respondent Aseguranza Para Autos is assessed an administrative forfeiture in the amount of \$11,500.00, to be paid in six monthly installments, the first installment of \$1,917.00 shall be paid within 30 days of the date of this Order, and an equal amount to be paid within each 30 days thereafter, with a final payment of \$1,915.00 to be paid not later than 180 days after the date of this Order.

2. Respondent Claudia Arriaga is assessed an administrative forfeiture in the amount of \$1500. Said forfeiture shall be paid in six monthly installments of \$250.00, the first installment shall be paid within 30 days of the date of this Order, and each 30 days thereafter.

3. Respondents' licenses are placed on probation for a period of 12 months commencing with the date of this Order. The terms of probation are that the total forfeiture is paid in full within the time designated, and that Respondents shall have no further violations of the Utah Insurance Code, Department Rules of any order by the Commissioner.

DATED this 9<sup>th</sup> day of August, 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

## **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 for an agency and of up to \$2,500.00 for an individual licensee, and the suspension or revocation of your licenses 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.



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:

Aseguranza Para Autos  
Attn: Ryan O'Hara  
576 Hwy 133  
Carbondale, Co 81623  
&  
Claudia Arriaga  
1839 West 3500 South, Suite 2E  
West Valley City, Utah 84119

DATED this 9<sup>th</sup> day of August, 2011



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

**UTAH  
Invoice**

Printed Date: August 09, 2011

Invoice Date: August 08, 2011  
Balance Due: \$8,666.66  
Due Date: September 12, 2011  
Invoice ID: 523161

ASEGURANZA PARA AUTOS  
576 HWY 133  
CARBONDALE CO 81623

<b>Item Description</b>	<b>Amount</b>
Monetary Penalty Agency	\$13,000.00
<b>Original Amount Due</b>	<b>\$13,000.00</b>
<b>Payments Received</b>	
8/9/2011 Check	\$4,333.34
<b>Balance Due</b>	<b>\$8,666.66</b>

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**UTAH  
Invoice**

Printed Date: August 09, 2011

Invoice Date: August 08, 2011  
Balance Due: \$8,666.66  
Due Date: September 12, 2011  
Invoice ID: 523161

Make checks payable to: Utah Insurance Department

Send payment to:

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