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BEFORE THE INSURANCE COMMISSIONER
OF THE STATE OF UTAH

COMPLAINANT:

UTAH INSURANCE DEPARTMENT

RESPONDENT:

Blake Watkins
Vice President Operations
Gallagher Benefit Services, Inc.
2160 E. 4500 S. Ste 4
Salt Lake City, UT 84117

STIPULATION AND ORDER

Docket No. 2012-011 PC

Enf. Case No. 3062

STIPULATION

1. Respondent, Gallagher Benefit Services Inc. is a licensed non-resident insurance agency and a non-resident insurance consultant organization, holding license Nos. 102773 & 396475, respectively.

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 24th day of January, 2012.


GALLAGHER BENEFIT SERVICES INC.
Blake Watkins, Vice President, Operations


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 6, 2011, the Utah Insurance Department initiated an investigation into the affairs of Respondent, a licensed Utah non-resident Producer Organization.

2. During the investigation it was learned that Respondent had been conducting business as a Consultant Organization without being licensed to do so.

3. On or about October 7, 2011, a Department examiner spoke with Mr. Watkins, Vice President of Operations for Respondent. The examiner explained that while the individuals in the firm were licensed as individual consultants, the firm is also required to hold a Consultant license.

4. On or about October 19, 2011, Respondent submitted an application for a non-resident Consultant Organization license. The Consultant Organization license, No. 396475, was subsequently issued.

5. The Department recommends and Respondent has agreed to an administrative forfeiture in the amount of \$1,500.

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 states in part:

(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. . . .

4. Respondent was in violation of the above provision when it provided Consultant Organization services in Utah while not licensed as a Consultant Organization.

5. An administrative forfeiture in the amount of \$1,500 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:

Respondent Gallagher Benefit Services Inc. is hereby assessed an administrative forfeiture in the amount of \$1,500 to be paid to the Department within 30 days of the date of this Order.

DATED this _____ day of JAN 24 2012, 2012.

NEAL T. GOOCH
Insurance Commissioner



MARK E. KLEINFELD
Administrative Law Judge
Utah Insurance Department
3110 State Office Building
Salt Lake City, UT 84114
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 \$5,000.00 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