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

COMPLAINANT:

UTAH INSURANCE DEPARTMENT

RESPONDENTS:

JAMES R. HOBSON, JR.
License No. 195336
BAILEX, INC.
dba SENIOR SERVICES OF UTAH
License No. 343930
1130 North 200 West, #3
Bountiful, UT 84010

**STIPULATION
&
ORDER**

Docket No. 2012-062-HL

Enf. Case No. 3097

STIPULATION

1. Respondent, James R. Hobson, Jr. ("Hobson"), is a licensed resident insurance agent in the State of Utah, License No. 195336. Respondent Bailex, Inc., dba Senior Services of Utah, ("Bailex"), is a licensed resident insurance agency in the State of Utah, License No. 343930, and is owned by Respondent Hobson.

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.

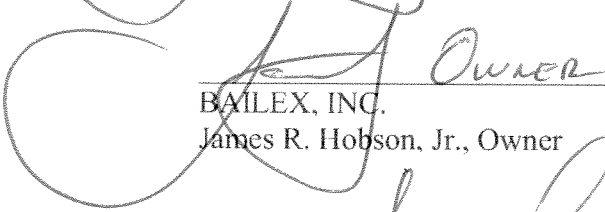
5. Respondents are acting herein free from any duress or coercion of any kind or nature, having been advised fully as to their rights set forth herein.

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

DATED this 29th day of May, 2012.



JAMES R. HOBSON, JR.



OWNER
BAILEX, INC.
James R. Hobson, Jr., 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. During the first part of June, 2011, Respondent posted a “Notice” on the door of a senior Utah resident (“the Resident”). The “Notice” was headed “**DELIVERY NOTICE!**” and stated “Important Time & Date Sensitive Material” and “Please call within 24 hours to reschedule your delivery.” (Emphasis in original).

2. Approximately one week later on June 15, 2011, Respondent posted a second “Notice” on the Resident’s door with the same information, but checked “2nd Attempt,” and attached his business card. The business card had the name “Browning Insurance Services, LLC” with a byline “Experts In Senior Solutions,” and listed Respondent Hobson as “Managing General Agent.”

3. These “Notices” were misleading in that they gave no indication that they were related to marketing of insurance, failed to disclose that Respondent Hobson was an insurance agent, and that rather than a delivery, these notices were an attempt to set an appointment to solicit insurance.

4. The use of the term “Experts In Senior Solutions” indicates or implies in such a way as to mislead a purchaser or perspective purchaser that Respondent Hobson had special certification or training in advising or servicing seniors when such was not the case.

5. Respondent Hobson was not a Managing General Agent for Browning Insurance Services, LLC or for any other organization and did not meet the definition of a Managing General Agent, and the use of that term was false or misleading.

6. On or about May 2, 2010, Respondent Hobson obtained a license for Respondent

Bailex. However, beginning in June 2011, through January 27, 2012, Respondent used the name Senior Services of Utah to market insurance in the State of Utah when Senior Services of Utah was not licensed as an insurance agency in the State of Utah and Respondent Hobson had not notified the commissioner of the use of an assumed name for Respondent Bailex.

7. The business card for Senior Services of Utah, stated that the Respondents were “Senior Insurance Experts,” which indicated or implied in such a way as to mislead a purchaser or perspective purchaser that Respondents had special certification or training in advising or servicing seniors when such was not the case.

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

CONCLUSIONS OF LAW

1. In using the “Notices” that failed to disclose they were related to insurance marketing or to identify Respondent Hobson as an insurance agent, and were an attempt to set an appointment to market insurance rather than effect a delivery, Respondent Hobson violated Utah Code Ann. § 31A-23a-402(1)(a)(i), and Utah Admin. Code Rule R590-130-6.

2. In using a business card for Browning Insurance Services, LLC, that listed Respondent Hobson as a Managing General Agent and stating “Experts in Senior Solutions”, Respondent Hobson violated Utah Code Ann. §§ 31A-23a-402(1)(a)(i), 31A-23a-103(1)(a), and Utah Admin. Code Rule R590-252-5.

3. In marketing insurance using the name Senior Solutions of Utah when that name was not the name of a licensed agency or was not filed with the commissioner as an assumed name of Respondent Bailex, Respondent Hobson violated Utah Code Ann. §§ 31A-23a-103(1)(c), 31A-

23a-110(2), and Utah Admin. Code Rule R590-154-5. Respondent Bailex violated Utah Code Ann. §§ 31A-23a-103(1)(a), 31A-23a-110(2), and Utah Admin. Code Rule R590-154-5.

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 James R. Hobson, Jr. is assessed an administrative forfeiture in the amount of \$5,000.00. The amount of \$2,500 of the forfeiture is stayed pending the successful completion of the probation imposed below.

2. Respondent Bailex, Inc. is assessed an administrative forfeiture in the amount of \$2,000.00. The amount of \$1,000.00 of the forfeiture is stayed pending the successful completion of the probation imposed below.

3. The licenses of Respondents James R. Hobson, Jr. and Bailex, Inc. are placed on probation for a period of 12 months beginning with the date of this Order. The terms of probation are as follows:

a. Respondents shall jointly pay the portions of the forfeitures assessed herein that are not stayed in four payments of \$875.00 with the first payment due 30 days after the date of this Order and succeeding payments due each 30 days thereafter;

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

NOTIFICATION

Respondents are hereby notified that failure to abide by the terms of this Order may subject them to further penalties, including additional forfeitures of up to \$2,500.00 per violation for an individual licensee and of up to \$5,000 per violation for a licensed organization, and the

suspension or revocation of your licenses, 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.

DATED this _____ day of MAY 31 2012, 2012.

NEAL T. GOOCH
INSURANCE COMMISSIONER



MARK E. KLEINFELD, Esq.
Administrative Law Judge
Utah Insurance Department
State Office Building, Room 3110
Salt Lake City, Utah 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:

James R. Hobson, Jr.
1130 North 200 West, #3
Bountiful, UT 84010

&

Bailex dba Senior Services of Utah
1130 North 200 West, #3
Bountiful, UT 84010

DATED this 31st day of May, 2012



Linda Hardy
Market Conduct
Utah Department of Insurance
State Office Building, Room 3110
Salt Lake City, UT 84114-6901
801-538-3860

**UTAH
Invoice - Original**

Printed Date: May 31, 2012
Invoice Date: May 31, 2012
Balance Due: \$3,500.00
Due Date: July 05, 2012
Invoice ID: 583311
Payor ID: 83468

HOBSON JAMES R JR
1130 N 200 W 3
BOUNTIFUL UT 84010

Item Description	Amount
5/31/2012 Monetary Penalty Individual E-Case 3097 Docket 2012-062 HL	\$3,500.00
	Original Amount Due \$3,500.00
Payments Received	Balance Due

E-Case # 3097 - Docket # 2012-062 HL
To be made in 4 monthly payments of \$875.00 starting June 30, 2012

**UTAH
Invoice - Original**

Invoice Date: May 31, 2012
Balance Due: \$3,500.00
Due Date: July 05, 2012
Invoice ID: 583311
Payor ID: 83468
Payor Name: HOBSON, JAMES R JR

Make checks payable to: Utah Insurance Department

Send payment to:

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