

M. GALE LEMMON #4363  
Assistant Attorney General  
MARK L. SHURTLEFF #4666  
Attorney General  
Attorneys for Utah Insurance Department  
160 East 300 South, Fifth Floor  
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

**RESPONDENT:**

ADVANCE INSURANCE  
c/o Walt Parcell  
248 South State Street  
Orem, UT 84058  
License No. 3345

**STIPULATION AND ORDER**

Docket No. 2012-056 PC

Enf. Case No. 3103

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**STIPULATION**

1. Respondent, Advance Insurance, is a resident producer organization holding license number 3343.
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.

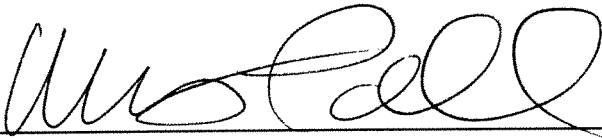
3. Respondent is aware of its right to a hearing at which it may be represented by counsel, present evidence and cross-examine witnesses. Respondent has irrevocably waived its right to such hearing and to any appeal related thereto.

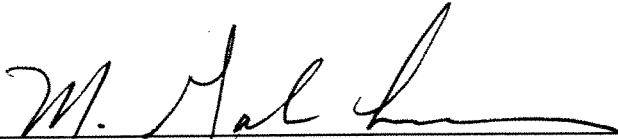
4. Respondent admits the jurisdiction of the State of Utah Insurance Commissioner as to all matters herein.

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 18 day of March, 2012.

  
ADVANCE INSURANCE  
Walt Parcell, 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. On November 2, 2011, an audit of Respondent was conducted by a Department Market Conduct Examiner.
2. At that time, Respondent's owner, Walt Parcell, stated that his agency collected approximately \$1,600 in fees each month for the period February 2008 through May 2011. The fees included a \$15 new business fee, a \$3 fee for receiving a cash or check payment, and a \$10 fee for electronic payment.
3. When Respondent heard in May of 2011 that the Department "was cracking down on agencies charging fees" he immediately stopped charging them.
4. These fees were being charged for services that Respondent was required to perform in order to earn a commission and were unreasonable and did not reflect actual costs to the Respondent.
5. Respondent reimbursed fees charged to customers from March 2011 through May 2011.
6. Respondent has agreed to an administrative forfeiture in the amount of \$13,000 to be paid over 90 days.

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

**CONCLUSIONS OF LAW**

1. In charging and collecting additional fees from insureds for services that was paid a

commission to perform, Respondent violated Utah Code Ann. § 31A-23a-501.

3. An administrative forfeiture in the amount of \$13,000.00 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**

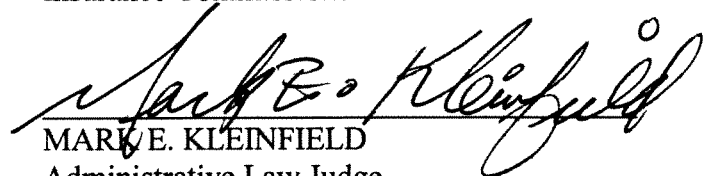
**IT IS HEREBY ORDERED:**

Respondent, Advance Insurance, is assessed an administrative forfeiture in the amount of \$13,000.00. The forfeiture shall be paid to the Department as follows:

\$4,334.00 shall be paid within 30 days of the date of this Order;  
\$4,333.00 shall be paid within 60 days of the date of this Order; and  
\$4,333.00 shall be paid within 90 days of the date of this Order.

DATED this 19<sup>th</sup> day of March, 2012.

NEAL T. GOOCH  
Insurance Commissioner



MARK E. KLEINFELD  
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 and Order of the Commissioner may subject you to further penalties, including forfeiture 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.