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

COMPLAINANT:

UTAH INSURANCE DEPARTMENT

RESPONDENTS:

**EQUITA FINANCIAL AND INSURANCE
SERVICES OF TEXAS**

11551 Forest Central Drive, Suite 200
Dallas, TX 75243
License #291165

**SENIOR ADVISOR SERVICES AND
INSURANCE SERVICES, INC.**

11551 Forest Central Drive, Suite 200
Dallas Texas, 75243
License # 321935

STIPULATION AND ORDER

Docket No. 2013-015 HL

Enf. Case No. 3209

STIPULATION

1. Respondents, Equita Financial and Insurance Services of Texas and Senior
- dm*

Advisor Services and Insurance Services, Inc. are non-resident insurance producer organizations holding Utah license numbers 291165 and 321935 respectively.

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 acknowledges that the issuance of this Order by the Commissioner is

solely for purpose of disposition of the matter entitled herein.

DATED this 20th day of February, 2013.



EQUITA FINANCIAL AND INSURANCE
SERVICES OF TEXAS, Inc.

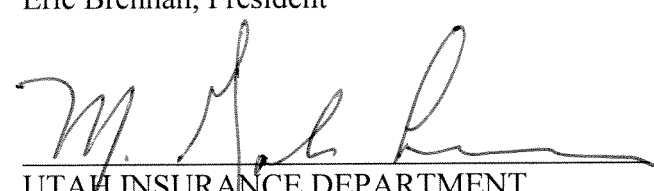
~~Eric Brennan~~, President

RICHARD G. WOLFE



SENIOR ADVISOR SERVICES AND
INSURANCE SERVICES, INC.

Eric Brennan, President



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 29, 2011, a generic lead card was given to the Department in relation to another investigation which involved mass mailings of advertisements. The subject lead card/advertisement was mailed to Utah residents and once received, the consumer would fill out the card requesting a free copy of a senior security information brochure and mail it back to Equita Final Expense Services (EFES).

2. EFES has been licensed in Utah since 2008 as a non-resident producer organization.

3. The subject advertisement was created for the sole purpose of generating sales of life insurance.

4. The name of the insurance company is not listed on the advertisement. The advertisement states: "This Senior Program will pay 100% of all funeral expenses not paid by Social Security up to \$25,000 . . ."

5. On or about January 30, 2012, the Department requested a written response regarding the mass mailing advertisement and it's apparent non-compliance with Utah Department rules.

6. On February 10, 2012, Respondents' legal counsel responded, and explained that the mailer had been approved by the Texas Department of Insurance.

7. The Department informed Respondents' counsel that because the mailings were directed to Utah residents, the Texas Department of Insurance had no jurisdiction over the matter; rather the Utah Department of Insurance has jurisdiction.

8. On March 5, 2012, the Department received another letter from Respondents stating

that the mass mailings were sent to 575 Utah residents.

9. On June 1, 2012, the market conduct examiner for the Department received the same advertisement. The MCE filled out the form, returned the card, and instead of receiving a free memorial guide book, received a post card requesting more information. The advertisement stated, "If you qualify, these senior plans may pay 100 percent of all funeral expenses." The mailings had not been changed and still did not state the name of the insurance company.

10. Respondents' counsel stated that it was not the intent of Respondents to mislead Utah consumers or violate Utah regulations. Respondents' had relied on approval from Texas, and had not investigated Utah regulations.

11. Respondents agree to an administrative forfeiture in the amount of \$6,000.00

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

CONCLUSIONS OF LAW

1. Utah Admin. Code R590-130-7 states:

(2) No advertisement may contain or use words or phrases such as "all," "full," "complete," "comprehensive," "unlimited," "up to," "as high as," "this policy will help fill some of the gaps that Medicare and your present insurance leave out," "the policy will help to replace your income" (when used to express loss of time benefits), or similar words and phrases, in a manner which exaggerates the extent of any policy benefit when the policy is viewed as a whole.

(9) An advertisement for the solicitation or sale of a preneed funeral contract, which is funded or to be funded by a life insurance policy or annuity contract, shall adequately disclose the fact that a life insurance policy or annuity contract is involved or being used to fund such arrangement.

2. Respondents violated the above provision when its sent mass mail advertisements using the words “all” and “will pay 100% funeral expense.”

3. In exaggerating the benefits of the policy in its advertising, Respondents violated Utah Code Ann. § 31A-23a-402(1)(a)(i).

3. In failing to state the name of the insurer in its advertising, Respondents violated Utah Admin. Code Rule R590-130-12(a).

4. An administrative forfeiture in the amount of \$6,000.00 is appropriate in this matter.

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 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.

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

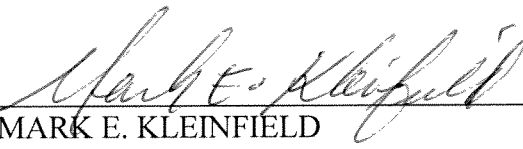
ORDER

IT IS HEREBY ORDERED:

Respondents, Equita Financial Insurance Services of Texas and Senior Advisor Services and Insurance Services Inc., are hereby jointly assessed an administrative forfeiture in the amount of \$6,000.00 The forfeiture shall be paid to the Department within 30 days of the date of this Order.

DATED this 26th day of February, 2013.

TODD E. KISER
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