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

UTAH INSURANCE DEPARTMENT,

Complainant,

v.

TRANSAMERICA LIFE INSURANCE
COMPANY: Co. ID 517:EIN 39-0989781
4333 Edgewood Road NE
Cedar Rapids, Iowa 52499

Respondent.

STIPULATION AND ORDER

Docket No. 2014-104 LF

Enf. Case No. 3380

Mark E. Kleinfield
Administrative Law Judge

STIPULATION

The Utah Insurance Department (“Department”), by and through its legal counsel, and Transamerica Life Insurance Company (“Respondent”), by and through its legal counsel, hereby stipulate and agree as follows:

1. Respondent is an active nonresident life insurance company. Respondent’s address is 4333 Edgewood Road NE, Cedar Rapids, Iowa 52499. Respondent’s Company ID is 517 and EIN is 39-0989781.

2. The Department has jurisdiction over the parties and subject matter of this administrative action.

3. Respondent acknowledges notice of agency action pursuant to Utah Code § 63G-4-201; acknowledges that this Stipulation and Order is an informal proceeding pursuant to Utah Code § 63G-4-202; and irrevocably waives the right to any hearing, review or appeal concerning this matter.

4. In regards to this matter, Respondent is represented by Attorney Randy Smart, 5295 South Commerce Drive, Ste 200, Murray, Utah 84107-5396.

5. This signed Stipulation and the signed and adopted Order by the Commissioner, along with any Findings of Fact and Conclusions of Law, shall not be subject to any reconsideration, renegotiation, modification, hearing or agency review or appeal.

6. If an administrative hearing were held, the Department alleges that it could provide evidence that would support the Findings of Fact presented below; therefore, the Findings of Fact and Conclusions of Law presented below are accepted by the parties.

7. The issuance of the signed and adopted Order proposed below is solely for the purpose of disposing of the specific matter entitled herein.


8. The only promises, agreements and understandings that the parties have regarding this matter are contained in this Stipulation.

9. Respondent enters into this Stipulation voluntarily, knowingly, and free from any coercion of any kind.

10. The persons signing this Stipulation on behalf of the named parties hereby affirm

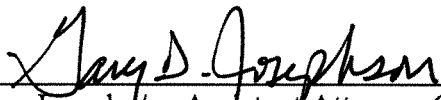
that they are authorized to sign and bind the parties.

Dated this 29 day of OCTOBER, 2014.



Randy Smart, Attorney at Law
for TRANSAMERICA LIFE INSURANCE COMPANY

Dated this 29th day of October, 2014.



Gary Josephson, Assistant Attorney General
UTAH DEPARTMENT OF INSURANCE

Based upon the foregoing Stipulation and Department file, the Presiding Officer makes the following Findings of Fact:

FINDINGS OF FACT

1. The Department initiated an investigation regarding Respondent's Group Hospital Indemnity Insurance "TransChoice Plus" being marketed in Utah.
2. The investigation found that the web domain www.landshealth.com shows Transamerica Life Insurance Company as the underwriter of TransChoice Plus.
3. At the Department's request, Respondent provided a January 1, 2012 through December 21, 2012 spreadsheet identifying all Group Hospital Indemnity Insurance marketed and sold in Utah; a list with identifying detail of all insured individuals and/or businesses; and a description of how products were sold to customers.
3. At the Department's request, Respondent provided master policies issued to the

associations marketing and selling Group Hospital Indemnity Insurance to consumers in Utah. The investigation then turned to whether Respondent had filed Group Questionnaires for each association as required by statute.

4. The investigation determined that only one of the seven associations had been filed with the Department. Also, six master policies had been issued to associations for which Respondent failed to file required group questionnaires.

5. The investigation also determined that Respondent had used the services of First Service Administrators, a third party administrator that was not licensed in Utah.

6. Working with the Department, as of July 3, 2013, Respondent completed all required filings and was brought into compliance with all statutory requirements.

7. Respondent cooperated fully with the Department in this investigation.

8. The Department and Respondent agreed to an administrative forfeiture in the amount of \$45,000.000.

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

CONCLUSIONS OF LAW

1. Department Rule R 590-220-9(2) requires that a filing for an eligible group include a completed Utah Accident and Health Insurance Group Questionnaire that must be completed for each eligible group under Sections 31A-22-503 through 507 and Subsection 31A-22-701(2). Respondent violated the above by failing to file the required questionnaire.

2. Utah Code Section 31A-23a-103(1)(c) prohibits a person from utilizing the services of another as a producer, limited line producer, surplus producer, 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. Respondent violated this statute by utilizing the services of an unlicensed third party administrator.

3. The proposed administrative forfeiture of \$45,000.00 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:

1. Respondent Transamerica Life Insurance Company is hereby assessed an administrative forfeiture in the amount of \$45,000.00.
2. The administrative forfeiture shall be paid to the Department within thirty days of the date this Order is signed by the Commissioner.

DATED this 30 day of October, 2014.

TODD E. KISER
Insurance Commissioner



MARK E. KLEINFELD
Administrative Law Judge
Utah Department of Insurance
State Office Building, Room 3110
Salt Lake City, UT 84114
Telephone (801) 538-3800

NOTIFICATION TO RESPONDENT

You are hereby notified that a failure to obey an Order of the Commissioner may subject you to further penalties, including forfeitures 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.