

GARY D. JOSEPHSON #5299  
Assistant Attorney General  
SEAN D. REYES #7969  
Attorney General  
Attorneys for Utah Insurance Department  
160 East 300 South, 5th Floor  
P.O. Box 140874  
Salt Lake City, UT 84114-0874  
Telephone (801) 366-0375

BEFORE THE INSURANCE COMMISSIONER  
OF THE STATE OF UTAH

<p>UTAH INSURANCE DEPARTMENT</p> <p>Complainant,</p> <p>vs.</p> <p>SOUTHWEST BUSINESS CORPORATION License No. 4298, 9311 San Pedro, Suite 600 San Antonio, Texas 78216</p> <p>Respondent.</p>	<p><b>STIPULATION AND ORDER</b></p> <p>Docket No. 2014-059 HL Enforcement No. 3495</p> <p>Mark E. Kleinfield Administrative Law Judge</p>
---	---

**STIPULATION**

The Utah Insurance Department ("Department"), by and through its legal counsel, Gary D. Josephson, Assistant Attorney General, and Southwest Business Corporation ("Respondent") by and through its legal counsel, Ryan Smart, hereby stipulate and agree as follows:

1. Respondent Southwest Business Corporation, is a Non-Resident Third-Party Administrator holding License No. 4298. Respondent's address is 9311 San Pedro, Suite 600, San Antonio, Texas 78216.

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 a formal proceeding pursuant to Utah Code § 63G-4-204; and irrevocably waives the right to any hearing, review or appeal concerning this matter.

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

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


6. The issuance of the signed Order proposed below is solely for the purpose of disposing of the specific matter addressed herein.

7. The only understanding that the parties have regarding this matter are contained in this Stipulation.

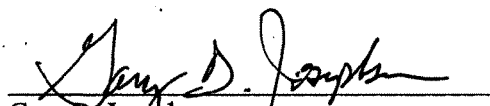
8. Respondent enters into this Stipulation voluntarily, knowingly, and free from any coercion of any kind.

9. The persons signing this Stipulation in behalf of the named parties hereby affirm that they are authorized to sign and bind the parties.

Dated this 4 day of Sept, 2014.

  
Ryan Smart  
Attorney for Respondent

Dated this 5<sup>th</sup> day of September, 2014.

  
Gary D. Josephson  
Assistant Attorney General  
Utah Insurance Department

Based upon the foregoing Stipulation and Department file information, the Administrative Law Judge makes the following Findings of Fact:

#### FINDINGS OF FACT

1. In 2013, the Utah Insurance Department sent out a Utah Third-Party Administrator Survey. The survey was created to assist the Utah Insurance Department in its regulatory responsibilities. All licensed third-party administrators operating in Utah were required complete this Survey.
2. On February 13, 2014, the Department sent the Survey Notice to the Respondent, without a response. Again, on April 4, 2014, the Department sent a second notice concerning the

Third-Party Administrator Survey to Respondent, without response.

3. On April 4, 2014, the Department called Respondent and left a telephone message regarding the Survey needed by the Department. There was no response. Also, on May 13, 2014, the Department again called Respondent and left a message requesting a call back concerning the outstanding Survey. There was no response.

4. To date the Department has neither received the required Department's Survey; nor has Respondent contacted the Department concerning the Survey. The Survey Notices are attached as Exhibit "A."

Based on the Findings of Fact, the Administrative Law Judge makes the following Conclusions of law:

#### **CONCLUSIONS OF LAW**

1. Utah Insurance Code § 31A-2-202(4) requires a timely response to an inquiry from the Department. Respondent violated this statute by not responding to the Department's inquiries concerning the required Third-Party Administrator Survey. The Survey Notices are attached as Exhibit "A."

2. An administrative forfeiture amount of \$750.00 is appropriate under the circumstances.

Based on the Findings of Fact and the Conclusions of Law, the Administrative Law Judge makes the following Order:

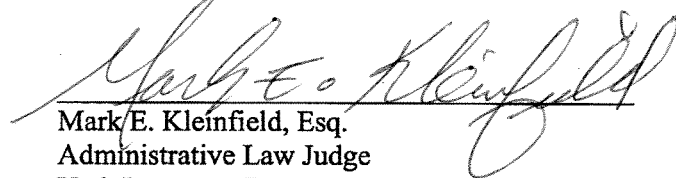
**ORDER**

**IT IS HEREBY ORDERED**

1. Respondent is assessed an administrative forfeiture in the amount of \$750.00. The forfeiture shall be paid within thirty (30) days from the date of the signing of this Order.
2. Respondent shall follow the Survey Instructions found in the two prior Survey Notices and provide a substantive response to the Department's inquiries concerning the Third-party Administrator Survey within ten (10) days from the date of the signing of this Order. The Survey Notices are attached as Exhibit "A."

DATED this 5<sup>th</sup> day of September, 2014.

Todd E. Kiser  
Insurance Commissioner



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

**NOTIFICATION**

You are hereby notified that a failure to obey an 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.