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

**UTAH INSURANCE DEPARTMENT,**

Complainant,

vs.

**CSE SAFEGUARD INSURANCE  
COMPANY**

2121 N California Blvd Ste 900  
Walnut Creek, CA 94596-7376  
NAIC ID # 18953

Respondent.

**STIPULATION  
AND ORDER**

**Docket No. 2016-067 PC**  
Enforcement Case No. 3781

Judge Gregory Soderberg  
Administrative Law Judge

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The Utah Insurance Department (“Department”), by and through its attorney, Perri Ann Babalis, Assistant Attorney General, and CSE Safeguard Insurance Company (“Respondent”), by and through its attorney, Patrick Wong, hereby stipulate and agree as follows:

## STIPULATION

1. Respondent, CSE Safeguard Insurance Company, is a California domiciled property and casualty insurance company, NAIC ID #18953. Respondent's mailing address is 2121 N California Blvd., Ste 900, Walnut Creek, CA 94596-7376.

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

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

4. Respondents are represented by legal counsel with regards to this Stipulation, or have waived the right to review this Stipulation with counsel.

5. This signed Stipulation, 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. 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 person signing this Stipulation on behalf of the named parties hereby affirms that he is authorized to sign and bind the parties.

Dated this 3rd day of June, 2016,

  
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PATRICK WONG  
General Counsel and Corporate Secretary  
CSE Safeguard Insurance Company

Dated this 6th day of June, 2016.

  
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PERRI ANN BABALIS  
Utah Assistant Attorney General for the  
Utah Insurance Department

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

### **FINDINGS OF FACT**

1. On or about November 28, 2014, Respondent was notified that Teresa Rivera elected to arbitrate her UIM claim against Respondent. Ms. Rivera delayed the process until March 2, 2015, by not submitting proper and complete disclosures for medical records. In the meantime, the parties discussed informally resolving the case.

2. The arbitration date was not set until June 30, 2015, and a check was not tendered to Ms. Rivera until July 7, 2015.

3. Respondent acknowledges its inadvertence in setting the arbitration date and failing to tender a check after the 60 day time frame, as required by Utah law.

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

### **CONCLUSIONS OF LAW**

1. Utah Code Ann § 31A-22-305.3(9) provides that an underinsured motorist carrier that receives an election for arbitration and a demand for payment shall have a reasonable time, not to exceed 60 days from the date of demand, set an arbitration date and to tender payment.

2. Respondent violated the above referenced statute when it failed to timely schedule and arbitration date and tender payment to Ms. Rivera.

3. The proposed administrative forfeiture is appropriate under the circumstances.

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, CSE Safeguard Insurance Company, is assessed a forfeiture in the amount of \$2,000.00. The forfeiture shall be paid to the Department within 30 days of the date of this Order.

DATED this 6th day of June, 2016.

TODD E. KISER  
Insurance Commissioner

  
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GREGORY SODERBERG  
Administrative Law Judge  
Utah Department of Insurance  
State Office Building, Room 3110  
Salt Lake City, UT 84114  
Telephone (801) 530-6706

**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.