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

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<p>UTAH INSURANCE DEPARTMENT,</p> <p style="text-align: center;">Complainant,</p> <p style="text-align: center;">v.</p> <p>YOURPEOPLE, INC, dba ZENEFITS FTW INSURANCE SERVICES 250 Brannan Street, 3<sup>rd</sup> Floor San Francisco, CA 94107 License No. 484568</p> <p style="text-align: center;">Respondent.</p>	<p><b>STIPULATION AND ORDER</b></p> <p>Docket# 2017-074 HL Enf. Case # 3925</p> <p>Lisa Watts Baskin, J. D. Administrative Law Judge</p>
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**STIPULATION**

The Utah Insurance Department ("Department"), through its legal counsel, Assistant Attorney General Gary Josephson, and YourPeople, Inc., dba Zenefits FTW Insurance Services, ("Respondent"), through its general counsel, Joshua Stein, hereby stipulate and agree as follows:

1. Respondent has been conducting insurance business in the State of Utah since April 2014 under License No 484568, with License insurance types: Non-resident Producer

Organization, Life, Property, Casualty, Accident and Health. Respondent's business address is 250 Brannan Street, 3<sup>rd</sup> floor, San Francisco, CA 94107.

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; and irrevocably waives the right to any hearing, review or appeal concerning this matter.

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

5. The Findings of Fact and Conclusions of Law presented below are accepted by the parties.

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

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

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

9. The person signing this Stipulation on behalf of the named parties hereby affirms that they are authorized to sign and bind the parties.

(Signatures Follow)

DATED this 30<sup>th</sup> day of August, 2017.

DocuSigned by:  
*Joshua Stein*  
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JOSHUA STEIN, General Counsel, for  
YOURPEOPLE, INC., dba ZENEFITS FTW  
INSURANCE SERVICES

DATED this 30<sup>th</sup> day of Aug., 2017.

*Gary D. Josephson*  
GARY D. JOSEPHSON, Asst. Attorney General  
UTAH DEPARTMENT OF INSURANCE

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

#### FINDINGS OF FACT

1. Based on Respondent's self-reporting of insurance licensing violations, a follow-up Department investigation confirmed that Respondent began conducting insurance business in the State of Utah in April 2014, but failed to properly license twenty-three individual producers employed by and acting on its behalf, resulting in a number of self-reported instances of transacting insurance without required licensure.

2. The Department's investigation also found that Respondent failed to designate these twenty-three individual producers to the Respondent insurance agency.

3. Finally, the investigation found that Respondent represented itself as an insurance agency, yet failed to properly license itself as an agency with the Department.

4. Respondent cooperated fully with the Department regarding the Department's investigation and has since implemented a number of corrective actions.

Based upon the foregoing Stipulation and Findings of Fact, the Administrative Law Judge enters the following Conclusions of Law:

**CONCLUSIONS OF LAW**

1. Under Utah Code § 31A-23a-103 and Utah Admin. Rule R590-244-5, a person must be properly licensed to conduct insurance business in the State of Utah. Respondent violated these insurance laws based on the conduct described in the foregoing Findings of Fact.

2. Under Utah Code Ann. § § 31A-23a-301 and 31A-23a-408, an insurance agency must properly designate and contract with an individual, who holds a proper license, to act on the agency's behalf in conducting insurance business in the State of Utah. Respondent violated both referenced insurance statutes when it conducted insurance business in the State of Utah in the manner described in the foregoing Findings of Fact.

Based upon the foregoing Stipulation, Findings of Fact and Conclusions of Law, the Administrative Law Judge enters the following Order:

(Order Follows)


**ORDER**

**IT IS HEREBY ORDERED:**

1. Respondent is assessed a forfeiture penalty in the amount of \$125,000.00. The forfeiture penalty is to be paid within 30 days of the signing date of this Order.

DATED this 31<sup>st</sup> day of August, 2017.

TODD E. KISER  
Insurance Commissioner

  
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Lisa Watts Baskin, J. D.  
Administrative Law Judge  
Utah Insurance Department

**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.