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BEFORE THE UTAH INSURANCE COMMISSIONER

UTAH INSURANCE DEPARTMENT, Complainant, vs. JOSEPH DANIEL DUKES, Respondent.	FINDINGS OF FACT, CONCLUSIONS OF LAW AND ORDER Docket No. 2020-4194 Lisa Watts Baskin Presiding Officer
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Complainant, Utah Insurance Department (“Department”) and Respondent, Joseph Daniel Dukes, have stipulated to entry of the following Findings of Fact, Conclusions of Law and Order. Based upon that stipulation, and good cause appearing, the Presiding Officer makes and enters the following:

FINDINGS OF FACT

1. Respondent is an individual resident producer holding license no. 748803.
2. Respondent’s mailing address is 7461 S. Highland Hollow Dr., West Jordan, Utah, 84084.
3. In 2010, Respondent obtained a Utah non-resident individual producer insurance

license.

4. Since 2010, Respondent has conducted insurance business in Utah using the name Greatland Financial Group.

5. Respondent's contact information in SIRCON includes the name Greatland Financial Group ("Greatland").

6. From approximately 2010 through 2019, Greatland has operated and conducted insurance business in Utah without an agency license.

7. Greatland failed to designate Respondent to act on its behalf in conducting insurance business.

8. On July 1, 2019, Respondent relocated from Arizona to Utah.

9. Respondent failed to update his contact information in SIRCON within 30 days of relocating to Utah.

10. From approximately July 2019 through August 2019, Respondent engaged in the following conduct:

a. Respondent contacted several clients of a former co-worker agent ("Agent"). Respondent told these individuals that he wanted to meet with them to go over insurance policies that Agent had sold them. In seeking to arrange these meetings, Respondent told these individuals that Agent had "left the company," or was "let go." Respondent also told these individuals that he was asked to take over for Agent, or that he was asked to take care of the individual whom he had contacted.

Agent had not terminated his appointment with the companies that had issued the policies, nor had he been "let go" by those companies. No one from these companies had

directed Respondent to contact these individuals or to take over for Agent.

b. While preparing applications for certain individuals, Respondent entered false and misleading information concerning their weight and tobacco-use. The information Respondent entered enabled those individuals to qualify for policies and/or rates that they would not otherwise qualify for.

c. Respondent failed to indicate on several applications that the new policies were replacement policies.

d. Respondent failed to file replacement forms for several policies.

e. Respondent's failure to properly cancel coverage on converted or existing policies resulted in drafts from policyholders' accounts for the policies that he should have cancelled. This resulted in certain policyholders incurring overdraft charges.

f. Respondent provided cash to a policyholder for a draft from the policyholder's account due to Respondent's failure to cancel her existing policy.

CONCLUSIONS OF LAW

1. The Utah Insurance Commissioner ("Commissioner") has jurisdiction over the parties and this adjudicative proceeding pursuant to Utah Code §§ 31A-1-105 and 31A-2-201.

2. The Commissioner has legal authority to impose penalties on the Department's licensees who violate the Utah Insurance Code. *See* Utah Code § 31A-2-308.

3. Respondent's conduct set forth above in the Findings of Fact, violates the following Utah insurance laws:

a. Utah Code § 31A-23a-412(1), failing to notify the Commissioner within 30 days of a change of address, telephone number or email address.

b. Utah Code § 31A-23a-103, performing, offering to perform, and/or advertising a service without an agency license.

c. Utah Code § 31A-23a-302, failing to designate an individual that has an individual producer license to act on the agency's behalf in order for the licensee to do business for the agency in this State.

d. Utah Admin. Code R590-244-5(1), selling, soliciting or negotiating insurance without a designation from an agency.

e. Utah Code § 31A-23a-402(1), providing false and misleading information by making a false entry in a record and/or willfully refraining from making a proper record with the intent to deceive a person examining that record.

f. Utah Code § 31A-23a-402(1), communicating false and misleading information relating to a licensee.

g. Utah Code § 31A-23a-107, failing to satisfy the character requirements of competence and trustworthiness.

h. Utah Code § 31A-23a-402.5, providing an improper rebate or unfair inducement.

4. The recommended forfeiture amount of \$12,250.00 (Twelve Thousand Two Hundred and Fifty Dollars) is appropriate under the circumstances.

ORDER

Based on the foregoing Findings of Fact and Conclusions of Law, it is hereby Ordered that:

1. Respondent is ordered not to commit the violations described in the Conclusions of

Law in the future.

2. Respondent shall pay a forfeiture in the amount of \$12,250.00 (Twelve Thousand Two Hundred and Fifty Dollars). Respondent shall have 24 months from the date this Order is signed to pay the forfeiture in full.

4. Respondent's failure to comply with the terms of this Order shall result in additional penalties and forfeitures, which may include the Department moving to revoke Respondent's individual resident producer license.

DATED this 30th day of April, 2020

TODD E. KISER
Utah Insurance Commissioner

/s/ Lisa Watts Baskin
Presiding Officer
Utah Insurance Department

NOTICE TO RESPONDENT

Failure to obey the Order may subject you to further penalties that include forfeitures of up to \$2,500 per violation, license suspension or revocation, and/or further enforcement action before the Utah District Court where forfeitures of up to \$10,000 may be imposed. If you are licensed in other jurisdictions, you may be required to report this proceeding to those jurisdictions.