

---

BEFORE THE UTAH INSURANCE COMMISSIONER

---

UTAH INSURANCE DEPARTMENT,

Complainant,

vs.

DAVID ARTHUR GLOVER,

Respondent.

**FINDINGS OF FACT,  
CONCLUSIONS OF LAW  
and  
ORDER**

Docket No. 2021-4350

Donald H. Hansen  
Administrative Law Judge/Presiding Officer

---

**PROCEDURAL BACKGROUND**

This matter was commenced on November 9, 2021, when Complainant Utah Insurance Department (“the Department”) filed a Complaint and a Notice of Formal Adjudicative Proceeding seeking revocation of David Arthur Glover’s (“Respondent”) resident insurance producer license.

The Complaint and Notice of Formal Adjudicative Proceeding were served on Respondent by email on November 9, 2021 to [REDACTED], Respondent’s email address last known to the Department. Pursuant to Utah Code § 63-4-204, the Notice of Formal Adjudicative Proceeding informed Respondent that he was required to respond to the Complaint within 30 days, and that if he failed to respond within 30 days, default may be entered against him.

Respondent did not file a response to the Complaint within 30 days or at any other time. The Department filed a Motion to Enter Default on December 13, 2021. The Department’s Motion to Enter Default was served on Respondent the same day by email, at Respondent’s email address indicated above.

Respondent did not respond to the Department's Motion to Enter Default within the time period prescribed by Utah R. Civ. P., rule 7(d)(1), or at any other time. Accordingly, the Department's Motion to Enter Default was granted, Respondent's default was entered, and the Order of Default was sent to Respondent on December 30, 2021, by email to Respondent's email address indicated above. Respondent has not sought relief from the Order of Default.

The Utah Administrative Procedures Act, at Utah Code § 63G-4-209(4)(a), provides as follows:

In an adjudicative proceeding begun by the agency ..., the presiding officer shall, after issuing the order of default, conduct any further proceedings necessary to complete the adjudicative proceeding without the participation of the party in default and shall determine all issues in the adjudicative proceeding, including those affecting the defaulting party.

In accordance the foregoing provision and Utah Admin. Code R590-160, the Presiding Officer duly noticed and conducted an evidentiary hearing on January 12, 2022. The Department appeared at the hearing, represented by Helen Frohlich, Assistant Attorney General, Utah Attorney General's Office. The Department called one witness, *viz.*, [REDACTED], a market conduct examiner employed by the Department. The Presiding Officer received live testimony and documentary evidence at the hearing. Respondent, a defaulted party, did not appear or participate in the hearing, in accordance with Utah Code § 63G-4-209(4)(a).

Based on the foregoing provisions of law and the evidence received at the evidentiary hearing, by a preponderance of the evidence, the Presiding Officer makes the following:

#### **FINDINGS OF FACT**

1. Respondent is licensed by the Department as a resident individual producer. Respondent's license number is 435446.

2. Respondent's mailing address last known to the Department is [REDACTED]  
[REDACTED].

3. Respondent's email address last known to the Department is  
[REDACTED].

4. At all relevant times, Respondent did business under the name Glover Financial, LLC ("Glover Financial").

5. Glover Financial is not now a Utah licensed insurance producer or agency, and has not been so licensed at all relevant times.

6. On or about July 18, 2016, Respondent sold [REDACTED] an Indexed Universal Life insurance policy with \$2 million in coverage through American National Insurance Company ("American National"), policy number [REDACTED], effective August 19, 2016, with an annual premium of \$11,280.00 (the "American National Policy").

7. On or about August 16, 2016, [REDACTED], [REDACTED]'s spouse, made an initial premium payment of \$10,000.00 on the American National Policy.

8. The [REDACTED] made additional premium payments on the American National Policy on or about August 7, 2017 and October 17, 2017.

9. On December 20, 2017, the American National Policy lapsed for non-payment.

10. In addition to the American National Policy, the [REDACTED] had a commercial general liability policy with Progressive Insurance, policy no. [REDACTED] ("Progressive Policy") covering one of their businesses, for which they periodically made premium payments through Respondent.

11. Respondent instructed the [REDACTED] to draft their checks payable to Glover Financial for insurance policy premium payments with respect to both the American National Policy and the Progressive Policy.

12. Respondent told Mrs. [REDACTED] that by making the premium payment checks payable to Glover Financial, Respondent would be able to get the [REDACTED] a premium discount.

13. On or about July 25, 2016, Mrs. [REDACTED] drafted check no. 1023 (“Check #1”) for a premium payment on the Progressive Policy for \$6,177.00.

14. Mrs. [REDACTED] made Check #1 payable to Glover Financial.

15. Mrs. [REDACTED] wrote in the “For” line on Check # 1, “Progressive ins policy.”

16. Respondent received Check #1 from the [REDACTED].

17. Respondent cashed Check #1.

18. Respondent did not remit the funds from Check #1 to Progressive Insurance.

19. On or about August 15, 2017, Mrs. [REDACTED] drafted check no. 1299 (“Check #2”) for a premium payment on the American National Policy in the sum of \$4,520.00.

20. Mrs. [REDACTED] made Check #2 payable to Glover Financial.

21. Mrs. [REDACTED] wrote in the “For” line on Check # 2, “ins. [REDACTED].”

22. Respondent received Check #2 from the [REDACTED].

23. The symbol and words “/David Glover” were inserted in the “Pay to the Order of” line on Check #2, following the words “Glover Financial,” after Respondent received the check from the [REDACTED].

24. Respondent cashed Check #2.

25. Respondent did not remit the funds from Check #2 to American National.

26. On or about November 27, 2017, Mrs. [REDACTED] drafted check no. 1375 (“Check #3”) for a premium payment on the Progressive Policy in the sum of \$4,290.50.

27. Mrs. [REDACTED] made Check #3 payable to Glover Financial.

28. Mrs. [REDACTED] included in the “For” line on Check #3 the Progressive Policy number [REDACTED].

29. Respondent received Check #3 from the [REDACTED].

30. The symbol and words “/Dave Glover” were inserted in the “Pay to the Order of” line on Check #3, following the words “Glover Financial,” after Respondent received the check from the [REDACTED].

31. Respondent cashed Check #3.

32. Respondent did not remit the funds from Check #3 to Progressive Insurance.

33. On or about January 6, 2018, Mrs. [REDACTED] drafted check no. 1414 (“Check #4”) for a premium payment on the American National Policy in the sum of \$4,500.00.

34. Mrs. [REDACTED] made Check #4 payable to Glover Financial.

35. Mrs. [REDACTED] wrote in the “For” line on Check # 4, “Life Ins payment.”

36. Respondent received Check #4 from the [REDACTED].

37. The words “or Dave Glover” were inserted in the “Pay to the Order of” line on Check #4, following the words “Glover Financial,” after Respondent received the check from the [REDACTED].

38. Respondent cashed Check #4.

39. Respondent did not remit the funds from Check #4 to American National.

40. At the time Mrs. [REDACTED] wrote Check #4 for the American National Policy premium payment, the American National Policy had lapsed.

41. On or about April 21, 2018, Mr. [REDACTED] drafted check no. 1477 (“Check #5”) for a premium payment on the American National Policy in the sum of \$4,000.00.

42. Mr. [REDACTED] made Check #5 payable to Glover Financial.

43. Mr. [REDACTED] wrote in the “For” line on Check # 5, “Life Insurance/Retirement.”

44. Respondent received Check #5 from the [REDACTED].

45. Respondent cashed Check #5.

46. Respondent did not remit the funds from Check #5 to American National.

47. On or about August 28, 2018, Mrs. [REDACTED] drafted check no. 1592 (“Check #6”) for a premium payment on the American National Policy in the sum of \$5,000.00.

48. Mrs. [REDACTED] made Check #6 payable to Glover Financial.

49. Respondent received Check #6 from the [REDACTED].

50. The symbol and words “/Dave Glover” were inserted in the “Pay to the Order of” line on Check #6, following the words “Glover Financial,” after Respondent received the check from the [REDACTED].

51. Respondent cashed Check #6.

52. Respondent did not remit the funds from Check #6 to American National.

53. On or about May 27, 2019, Mrs. [REDACTED] drafted check no. 1825 (“Check #7”) for a premium payment on the Policy in the sum of \$2,000.00.

54. Mrs. [REDACTED] made Check #7 payable to Glover Financial.

55. Mrs. [REDACTED] wrote in the “For” line on Check # 7 “life insurance pmt.”

56. Respondent received Check #7 from the [REDACTED].
57. Respondent cashed Check #7.
58. Respondent did not remit the funds from Check #7 to American National.
59. Respondent collected \$20,020.00 in insurance premium payments intended for the American National Policy from the [REDACTED], and never remitted those funds to American National.
60. Respondent collected \$10,467.50 in insurance premium payments intended for the Progressive Policy from the [REDACTED], and never remitted those funds to Progressive Insurance.
61. Respondent wrongfully converted the sums described in Paragraphs 59 and 60 above for his own use.
62. Respondent wrongfully altered checks made by the [REDACTED] to “Glover Financial” by adding his individual name on the checks’ “Pay to the Order of” lines. In so doing, Respondent engaged in fraudulent and dishonest practices.
63. On July 2, 2021, the Department’s market conduct examiner (“Examiner”), in response to a complaint filed by the [REDACTED], emailed Respondent requesting information regarding an investigation into whether Glover Financial was collecting premiums for Utah policyholders. The Examiner’s email included an attached Audit Notification Request and a Request for Information, specifically requesting bank records for Respondent and Glover Financial for most months from July 2016 through June 2019, and a copy of Respondent’s E&O Declaration page.
64. The Examiner also sent copies of these documents to Respondent via U.S. mail, postage prepaid, to [REDACTED], [REDACTED], [REDACTED] (“[REDACTED] Address”),

and to [REDACTED], [REDACTED], [REDACTED]. The [REDACTED] Address was listed in SIRCON as Respondent's residence. The mailing to the [REDACTED] Address was returned to the Department marked "NOT DELIVERABLE AS ADDRESSED UNABLE TO FORWARD."

65. Respondent was required to provide the information to the Department by July 16, 2021.

66. Respondent did not respond to the Department's email or the Request for Information.

67. On July 16, 2021, the Examiner contacted Respondent via telephone regarding his failure to respond to the Department's requests for information. Respondent provided the Examiner with a new email address.

68. On July 16, 2021, the Examiner sent an email to Respondent's new email address that included a Request for Information and Audit Notification Request attached to the email. The Examiner also mailed the Request for Information and Audit Notification Request, via U.S. Mail postage prepaid, to Respondent's mailing address last known to the Department.

69. In the email, the Examiner requested that Respondent acknowledge receipt of the email and informed Respondent that a response to the Department was due on July 30, 2021.

70. The Examiner's July 16, 2021 letter informed Respondent, among other things, that the Department was investigating allegations that Respondent had altered checks made payable to Glover Financial by adding Respondent's individual name on the "Pay to the Order of" lines on some of the checks, and that the Department was conducting a compliance audit of Respondent and Glover Financial.



71. On July 30, 2021, the Department granted Respondent a one-week extension of time to respond, based upon his request, to produce responses to the July 16, 2021 Request for Information. Respondent's responses were now due on August 6, 2021.

72. Respondent did not provide responses on or before August 6, 2021 or at any other time.

73. On August 11, 2021, the Examiner sent an email to Respondent informing him that his response and documents were due August 6, 2021. The Examiner informed Respondent that his responses and documents now needed to be produced by August 13, 2021.

74. On August 13, 2021, Respondent informed the Examiner via email that he "hadn't gotten all of them back yet[;] what should I do please advise?"

75. Later on August 13, 2021, the Examiner sent an email to Respondent telling him that his documents were due that day at 5:00 p.m., and that he had not produced them.

76. Respondent failed or refused to produce any documents or provide any of the information the Department requested in its investigation at any time. Hence, the Department secured evidence from the [REDACTED] and other sources.

77. Respondent has not requested any additional extensions of time to respond to the Department's investigative requests for information.

#### **CONCLUSIONS OF LAW**

78. Under Utah Code Sec. 31A-23a-111(5)(a)(1)(A) and -111(5)(ii)(A), the Insurance Commissioner may revoke an insurance license if the Commissioner finds a licensee violated a Utah Insurance Code statute.

79. Respondent violated Utah Code § 31A-23a-411.1(1), when Respondent failed to remit to American National and Progressive Insurance the funds the [REDACTED] provided him to pay the premiums on the American National Policy and the Progressive Policy. Respondent has therefore committed insurance fraud as described by Section 31A-31-103(1)(g).

80. Respondent violated Utah Code § 31A-2-202, when Respondent failed to respond to five requests from the Department, including two written requests for information and documents.

81. Respondent violated Utah Code § 31A-23a-412, when he failed to update his mailing address, telephone number, and email address in SIRCON, a national database of insurance industry personnel licensure status.

82. Respondent violated Utah Code §§ 31A-23a-111(5)(b)(vii)(A) and 31A-23a-111(5)(b)(vii)(B), when he failed or refused to produce his accounts, records, and files to the Department in response to multiple written requests from the Department to examine and investigate Respondent's business practices.

83. Respondent violated Utah Code § 31A-23a-111(5)(b)(xii), when Respondent wrongfully misappropriated and converted monies he received from the [REDACTED] during the course of doing insurance business by receiving premium payments for the American National Policy and Progressive Policy and not remitting the funds to the insurers.

84. Respondent violated Utah Code §§ 31A-23a-111(5)(b)(xv), 31A-23a-111(5)(b)(xvi)(A), and 31A-23a-111(5)(b)(xvi)(B), by committing an insurance unfair trade practice or fraud, and using fraudulent and/or dishonest business practices, or demonstrating untrustworthiness and/or financial irresponsibility, when Respondent repeatedly received

premium payments from the [REDACTED] for the American National Policy and the Progressive Policy, and did not remit the funds to the insurers.

85. Respondent violated Utah Code § 31A-23a-111(5)(b)(xxiv), by endangering the legitimate interests of customers and the public when he altered checks and failed to remit the insurance premium payments he received to the insurers.

86. On the multiple grounds set forth under the Utah Insurance Code referenced above, Respondent's current licensure should be revoked.

Accordingly, the Presiding Officer finds substantial evidence and good cause to enter the following:

**ORDER**

1. Effective immediately, Respondent Glover's Utah resident individual producer insurance license Number 435446, is REVOKED.

DATED this 13<sup>th</sup> day of January, 2022.

JONATHAN T. PIKE  
Utah Insurance Commissioner

/s/ Donald H. Hansen  
DONALD H. HANSEN  
Administrative Law Judge/Presiding Officer  
Utah Insurance Department  
4315 South 2700 West, Suite 2300  
Taylorsville, UT 84129  
801-957-9321  
Email: [uidadmincases@utah.gov](mailto:uidadmincases@utah.gov)

**CERTIFICATE OF SERVICE**

I hereby certify that a copy of the foregoing **Findings of Fact, Conclusions of Law, and**

**Order** was sent via electronic mail to the following:

David Arthur Glover

Email: [REDACTED]

Helen A. Frohlich

Assistant Attorney General

Email: [REDACTED]

DATED this 13<sup>th</sup> day of January, 2022.

*/s/ Jeanine Couser* \_\_\_\_\_

Jeanine Couser

Utah Insurance Department

4315 South 2700 West, Suite 2300

Taylorsville, UT 84129

801-957-9321