



STATE OF CONNECTICUT

INSURANCE DEPARTMENT

-----X
IN THE MATTER OF:
YOURPEOPLE, INC., dba
ZENEFITS FTW INSURANCE SERVICES
-----X

DOCKET MC 16-109

STIPULATION AND CONSENT ORDER

It is hereby stipulated and agreed between YourPeople, Inc., dba Zenefits FTW Insurance Services and the State of Connecticut Insurance Department by and through Katharine L. Wade, Insurance Commissioner to wit:

WHEREAS, pursuant to a Market Conduct investigation, the Commissioner alleges the following with respect to YourPeople, Inc., dba Zenefits FTW Insurance Services:

I.

1. YourPeople, Inc., dba Zenefits FTW Insurance Services, hereinafter referred to as Respondent, is domiciled in the State of California, is licensed to transact the business of insurance producer in the State of Connecticut under license number 2449068 and is authorized to write life, annuity, accident & health and property & casualty insurance.
2. On or about March 1, 2016, the Respondent self-reported to the department that it had allowed unlicensed individuals to sell, solicit or negotiate insurance in Connecticut. The Department conducted a review of the issues presented involving the Respondent's sales practices in the State of Connecticut, covering the period from 2014 through 2015.
3. During the period reviewed, Respondent's established practices lacked the proper controls and failed to ensure compliance with statutory requirements, resulting in several instances of:
 - a. Producers acting as agents of Respondent selling, soliciting or negotiating coverage without the required licensing.
4. The conduct as described above violates §38a-7021 of the Connecticut General Statutes; and constitutes cause for the imposition of a fine or other administrative penalty under §§38a-2 and 38a-41 of the Connecticut General Statutes.

II

1. WHEREAS, Respondent admits to the allegations contained in paragraphs three and four of Article I of this Stipulation; and
2. WHEREAS, Respondent agrees to provide the Insurance Commissioner with a summary of actions taken to remedy the violations alleged in Section I of this document within ninety (90) days of the date of execution of the Stipulation and Consent Order; and
3. WHEREAS, Respondent agrees to pay a fine in the amount of \$51,000 for the violations described herein; and
4. WHEREAS, Respondent, being desirous of terminating this proceeding without the necessity of a formal proceeding or further litigation, does consent to the making of this Consent Order and voluntarily waives:
 - a. any right to a hearing; and
 - b. any requirement that the Insurance Commissioner's decision contain a statement of findings of fact and conclusions of law; and
 - c. any and all rights to object to or challenge before the Insurance Commissioner or in any judicial proceeding any aspect, provision or requirement of this Stipulation.

NOW THEREFORE, upon the consent of the parties, it is hereby ordered and adjudged:

1. That the Insurance Commissioner has jurisdiction of the subject matter of this administrative proceeding.
2. That Respondent is fined the sum of Fifty-One Thousand Dollars (\$51,000) for the violations herein above described.

By: 

(Representative of Insurance Company)

Joshua Stein

General Counsel & Secretary, Zenefits

CERTIFICATION

The undersigned deposes and says that he/she has duly executed this Stipulation and Consent Order on this 14th day of DECEMBER 2016 for and on behalf of YourPeople, Inc., dba Zenefits FTW Insurance Services, that he/she is the General Counsel / Secretary of such company, and he/she has authority to execute and file such instrument.

By: [Signature]

State of CALIFORNIA

County of SAN FRANCISCO

Personally appeared on this 14th day of DECEMBER 2016, JOSHUA STEIN signer and sealer of the foregoing Stipulation and Consent Order, acknowledged same to be his/her free act and deed before me.

[Signature]
Notary Public/Commissioner of the Superior Court



Section Below To Be Completed by State of Connecticut Insurance Department

Dated at Hartford, Connecticut this 20 day of December 2016.

[Signature]
Katharine L. Wade
Insurance Commissioner

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

CIVIL CODE § 1189

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)

County of SAN FRANCISCO)

On 12/14/2016 before me, OULD SAPPRASERT O'BRIEN, NOTARY PUBLIC
Date Here Insert Name and Title of the Officer

personally appeared JOSHUA STEIN
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Signature Ould Sapprasert O'Brien
Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: _____ Document Date: _____

Number of Pages: _____ Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____

- Corporate Officer — Title(s): _____
- Partner — Limited General
- Individual Attorney in Fact
- Trustee Guardian or Conservator
- Other: _____

Signer Is Representing: _____

Signer's Name: _____

- Corporate Officer — Title(s): _____
- Partner — Limited General
- Individual Attorney in Fact
- Trustee Guardian or Conservator
- Other: _____

Signer Is Representing: _____