



**FILED**

MAR 20 2009

OFFICE OF  
INSURANCE REGULATION  
Docketed by: FT

OFFICE OF INSURANCE REGULATION

KEVIN M. McCARTY  
COMMISSIONER

IN THE MATTER OF:

PRIME TRAVEL PROTECTION  
SERVICES, INC.; UNIVERSAL ASSURANCE  
GROUP, LTD.; TRAVELER PROTECTION  
SERVICES; and VACATION PROTECTION  
SERVICES, INC.

CASE NO.: 102493-09

and

JERRY WATSON.  
\_\_\_\_\_ /

ORDER TO CEASE AND DESIST

TO:

Prime Travel Protection Services, Inc.;  
Universal Assurance Group, Ltd.;  
Traveler Protection Services, Inc.;  
Vacation Protection Services, Inc.; and

Jerry Watson

5310 Ward Road, Suite G-01  
Arvada, CO 80002

2226 Island Point  
Evergreen, CO 80439

**YOU ARE HEREBY NOTIFIED** that pursuant to the Florida Insurance Code including, Sections 624.307, 624.317, 624.401, 626.901, 626.9571, 626.9581, 626.9591, 626.9601 and 120.569, Florida Statutes, the Office of Insurance Regulation of the State of

Florida has caused an investigation to be made of the insurance-related activities of Prime Travel Protection Services, Inc. and its related companies Universal Assurance Group, Ltd., Traveler Protection Services, Inc., Vacation Protection Services, Inc. (hereinafter collectively referred to as “Prime Travel ”) and Jerry Watson with respect to their insurance-related activities in Florida. Pursuant to the Florida Insurance Code, the Office of Insurance Regulation will enter a Final Order requiring Prime Travel and Jerry Watson to cease and desist from engaging in the business of insurance in the State of Florida, as set forth in the above referenced statutes. As grounds therefore, the Office alleges that:

1. The Florida Office of Insurance Regulation (hereinafter “Office”) has jurisdiction over the subject matter hereof and the parties hereto.

2. Prime Travel is a Colorado corporation that is not authorized to transact insurance business in the State of Florida.

3. Prime Travel is not an eligible surplus lines carrier in Florida.

4. Prime Travel has not applied for, nor received a Certificate of Authority to transact insurance business in the State of Florida.

5. At all times relevant to the allegations in this Order, Jerry Watson was the President of Prime Travel.

6. Section 624.02, Florida Statutes defines “Insurance” as: “Insurance” is a contract whereby one undertakes to indemnify another or pay or allow a specified amount or a determinable benefit upon determinable contingencies.

7. Section 624.03, Florida Statutes defines “Insurer” as: “Insurer” includes every person engaged as indemnitor, surety, or contractor in the business of entering into contracts of insurance or annuity.

8. Section 624.09, Florida Statutes defines “Authorized” and “Unauthorized insurer” as: (1) An “authorized” insurer is one duly authorized by a subsisting certificate of authority issued by the office to transact insurance in this state. (2) An “unauthorized” insurer is one not so authorized.

9. Section 624.10, Florida Statutes defines “Transacting insurance” as: “Transact” with respect to insurance includes any of the following, in addition to other applicable provisions of the code: (1) solicitation or inducement. (2) Preliminary negotiations. (3) Effectuation of a contract of insurance. (4) Transaction of matters subsequent to the effectuation of a contract of insurance and arising out of it.

10. No person shall transact insurance in this state, or relative to a subject of insurance resident, located, or to be performed in this state, without complying with the applicable provisions of this code. [Section 624.11, Florida Statutes];

11. No person shall act as an insurer, and no insurer or its agents, attorneys, subscribers, or representatives shall directly or indirectly transact insurance in this state except as authorized by a subsisting certificate of authority issued to the insurer by the office, except as to such transactions as are expressly otherwise provided for in this code. [Section 624.401(1), Florida Statutes];

12. No person shall, from offices or by personnel or facilities located in this state, or in any other state or country, directly or indirectly act as agent for, or otherwise represent or aid on behalf of another, any insurer not then authorized to transact insurance in this state in:

- (a) The solicitation, negotiation, procurement, or effectuation of insurance or annuity contracts, or renewals thereof;
- (b) The dissemination of information as to coverage or rates;

- (c) The forwarding of applications;
- (d) The delivery of policies or contracts;
- (e) The inspection of risks
- (f) The fixing of rates;
- (g) The investigation or adjustment of claims or losses; or
- (h) The collection or forwarding of premiums;

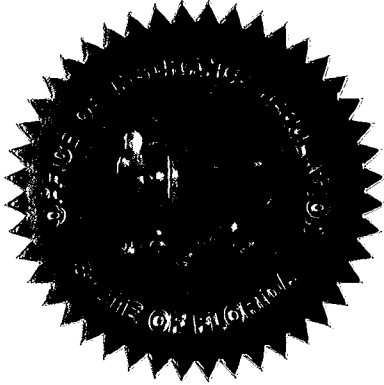
or in any other manner represent or assist such an insurer in the transaction of insurance with respect to subjects of insurance resident, located, or to be performed in this state. [Section 626.901(1), Florida Statutes];

13. From approximately 2006 to the present, Prime Travel and Jerry Watson developed, marketed and sold trip cancellation travel insurance in the State of Florida and to residents of the State of Florida through Florida travel agents and direct to insureds from its internet website. Said insurance products were not underwritten by an authorized insurer and claim payments were made directly from funds on deposit with Prime Travel.

14. The unlicensed transaction of insurance business by Prime Travel and Jerry Watson places Florida residents at grave and immediate risk of financial harm.

WHEREFORE, because Prime Travel and Jerry Watson transacted insurance or aided and abetted an unauthorized insurer in the State of Florida and with Florida residents without being properly licensed in violation of Sections 624.401, 626.437, 626.8805, 626.901, Florida Statutes, the Office intends to issue a Final Order to Cease and Desist against Prime Travel and Jerry Watson pursuant to Sections 626.9571, 626.9581, 626.9591, 626.9601, Florida Statutes.

DONE and ORDERED this 20<sup>th</sup> day of March, 2009.



A handwritten signature in black ink, appearing to read "Kevin M. McCarty", is written over a horizontal line.

Kevin M. McCarty  
Commissioner  
Office of Insurance Regulation

**CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that a true and correct copy of the foregoing Order to Cease and Desist has been sent by Certified Mail this 24 day of March, 2009, to: Doug Mang, Mang & Associates, 660 East Jefferson Street, Tallahassee, FL 32301; Jerry Watson, 5310 Ward Road, Suite G-01, Arvada, CO 80002 and 2226 Island Point, Evergreen, CO 80439.



Jeffrey W. Joseph  
Assistant General Counsel  
Office of Insurance Regulation  
200 East Gaines Street  
Tallahassee, Florida 32399-4206  
Telephone: 850-413-4294  
Fax: 850-922-2543