

LAWRENCE G. WASDEN  
Attorney General

MICHAEL WITRY – I.S.B. No. 7960  
Deputy Attorney General  
Idaho Department of Insurance  
700 W. State Street, 3<sup>rd</sup> Floor  
PO Box 83720  
Boise, Idaho 83720-0043  
Telephone No. (208) 334-4219  
Facsimile No. (208) 334-4298

*Attorneys for Idaho Department of Insurance*

**FILED**  
**MAY 01 2020**  
Department of Insurance  
State of Idaho

**BEFORE THE DIRECTOR OF THE DEPARTMENT OF INSURANCE**

**STATE OF IDAHO**

IDAHO DEPARTMENT OF INSURANCE,

Complainant,

vs.

SCOTT ORSON PACKHAM, an individual holding Idaho Resident Producer License No. 13001 and Idaho Resident Surplus Lines Broker License No. 13001; JULIENE MORALES, an unlicensed individual; and PACKHAM INSURANCE AGENCY, INC., an Idaho corporation holding Resident Producer Agency License No. 2194,

Respondents.

Docket No. 18-3778-20

**ORDER OF DEFAULT AGAINST  
RESPONDENT JULIENE MORALES**

The Director of the Idaho Department of Insurance (“Director”) having reviewed the record herein; and JULIENE MORALES, an unlicensed individual and one of the Respondents herein, having been lawfully served the Verified Complaint and Notice of Right to Hearing, a copy of which is attached hereto as Exhibit A and incorporated herein, and having failed to file an answer

thereto and having failed to request a hearing regarding said Verified Complaint; and the Director having found as a result thereof that MORALES has waived her rights regarding the opportunity for hearing; and in consideration of the above;

IT IS HEREBY ORDERED that an administrative penalty is imposed against JULIENE MORALES in the amount of Five Thousand Dollars (\$5,000) for violation of Idaho Code § 41-117A.

DATED this 30 day of April, 2020.

STATE OF IDAHO  
DEPARTMENT OF INSURANCE

  
DEAN L. CAMERON  
Director

## **NOTIFICATION OF RIGHTS**

This is a final order of the agency. Any party may file a motion for reconsideration of this final order within fourteen (14) days of the service date of this order. The agency will dispose of the motion for reconsideration within twenty-one (21) days of its receipt, or the motion will be considered denied by operation of law. See Idaho Code § 67-5246(4).

Any such motion for reconsideration shall be served on the Director of the Idaho Department of Insurance, addressed as follows:

Dean L. Cameron, Director  
Idaho Department of Insurance  
700 W. State Street, 3<sup>rd</sup> Floor  
P.O. Box 83720  
Boise, ID 83720-0043

Pursuant to Idaho Code §§ 67-5270 and 67-5272, any party aggrieved by this final order or orders previously issued in this case may file a petition for judicial review in the district court of the county in which:

- i. A hearing was held;
- ii. The final agency action was taken;
- iii. The party seeking review of the order resides, or operates its principal place of business in Idaho; or
- iv. The real property or personal property that was the subject of the agency action is located.

A petition for judicial review must be filed within twenty-eight (28) days of: (a) the service date of this final order, (b) the service of an order denying motion for reconsideration, or (c) the failure within twenty-one (21) days to grant or deny a motion for reconsideration, whichever is later. See Idaho Code § 67-5273. The filing of a petition for judicial review does not itself stay the effectiveness or enforcement of the order under appeal. Idaho Code § 67-5274.

### CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on this 1st day of May, 2020, I caused a true and correct copy of the foregoing ORDER OF DEFAULT AGAINST RESPONDENT JULIENE MORALES to be served upon the following by the designated means:

Julienne Morales  
537 W 300 N  
Blackfoot, ID 83221

- ☒ first class mail
- ☐ certified mail
- ☐ hand delivery
- ☐ email

Scott O. Packham  
Packham Insurance Agency, Inc.  
P.O. Box 39  
Blackfoot, ID 83221

- ☒ first class mail
- ☐ certified mail
- ☐ hand delivery
- ☐ email

Michael Witry  
Deputy Attorney General  
Idaho Department of Insurance  
700 W. State Street, 3<sup>rd</sup> Floor  
P.O. Box 83720  
Boise, ID 83720-0043

- ☐ first class mail
- ☐ certified mail
- ☒ hand delivery
- ☐ email

  
\_\_\_\_\_  
Pamela Murray

LAWRENCE G. WASDEN  
Attorney General

MICHAEL WITRY – I.S.B. No. 7960  
Deputy Attorney General  
Idaho Department of Insurance  
700 W. State Street, 3<sup>rd</sup> Floor  
PO Box 83720  
Boise, Idaho 83720-0043  
Telephone No. (208) 334-4219  
Facsimile No. (208) 334-4298

FILED  
MAR 16 2020  
Department of Insurance  
State of Idaho

*Attorneys for Idaho Department of Insurance*

**BEFORE THE DIRECTOR OF THE DEPARTMENT OF INSURANCE  
STATE OF IDAHO**

IDAHO DEPARTMENT OF INSURANCE,

Complainant,

vs.

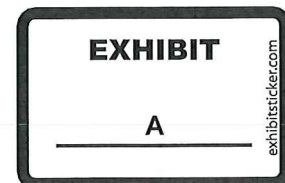
SCOTT ORSON PACKHAM, an individual holding Idaho Resident Producer License No. 13001 and Idaho Resident Surplus Lines Broker License No. 13001; JULIENE MORALES, an unlicensed individual; and PACKHAM INSURANCE AGENCY, INC., an Idaho corporation holding Resident Producer Agency License No. 2194,

Respondents.

Docket No. 18-3778-20

**VERIFIED COMPLAINT AND  
NOTICE OF RIGHT TO HEARING**

COMES NOW the staff of the Idaho Department of Insurance (“Department”), by and through its undersigned counsel, Michael Witry, Deputy Attorney General, and does hereby give notice of verified allegations constituting violation(s) of Idaho law, notice that relief will be



requested from the Director of the Department, and a notice of the right to contest the allegations and requested relief herein and right to hearing to:

**SCOTT ORSON PACKHAM**  
**Idaho Resident Producer License No. 13001**  
**and Idaho Resident Surplus Lines Broker License No. 13001;**

**JULIENE MORALES**  
**An unlicensed individual;**

**and**

**PACKHAM INSURANCE AGENCY, INC.**  
**Idaho Resident Producer Agency License No. 2194**

The Department alleges the following facts and violations of title 41, Idaho Code, as itemized below. The Department will present an order seeking the relief described below upon twenty-one (21) days following service of this Verified Complaint, and SCOTT ORSON PACKHAM, JULIENE MORALES, and PACKHAM INSURANCE AGENCY, INC. are further notified of their right to object to the requested relief, including the basis for any objection, and to request a hearing in writing.

### **JURISDICTION**

1. Jurisdiction in this matter is founded in the Idaho Insurance Code, Idaho Code § 41-101 et seq., including Idaho Code § 41-210, which authorizes the Director of the Department of Insurance (“Director”) to enforce the provisions of title 41 of the Idaho Code, including those governing Respondent’s activities as an insurance producer.

2. Jurisdiction is further founded in Idaho Code § 41-213, which authorizes the Department to institute such proceedings as deemed necessary for the enforcement of any provision of the Idaho Insurance Code including, but not limited to, license revocation and the imposition of administrative penalties.

## **RESPONDENTS**

3. SCOTT ORSON PACKHAM (hereinafter “PACKHAM”) was and is an Idaho resident during all pertinent times as alleged herein and carries Idaho Resident Producer License No. 13001, which license is due to expire on January 31, 2021. PACKHAM also carries Idaho Resident Surplus Lines Broker License No. 13001, which license is also due to expire on January 31, 2021.

4. JULIENE MORALES (hereinafter “MORALES”) was and is an Idaho resident during all pertinent times as alleged herein and does not hold any license from the Department.

5. PACKHAM INSURANCE AGENCY, INC. (hereinafter “PACKHAM INSURANCE”) was an Idaho corporation and currently holds Idaho Resident Producer Agency License No. 2194. It changed its name to Western Security Agency, Inc. in 2016 and to Western Security Insurance Agency, Inc. in 2017, but did not change the name under which it held the license. PACKHAM INSURANCE was dissolved on December 3, 2018. During all relevant times as alleged herein, PACKHAM was and is the sole manager of PACKHAM INSURANCE, as well as its designated responsible licensed producer pursuant to Idaho Code § 41-1007(2)(b).

## **CONTROLLING LAW**

6. Idaho Code § 41-117A provides that no person, firm, association or corporation may transact insurance without first having obtained a license from the Director of the Department.

7. Idaho Code § 41-1016(1) provides that the Director may suspend, revoke or refuse to issue or renew a producer’s license and may impose an administrative penalty up to one thousand dollars (\$1,000), if the Director finds that any of the causes or violations set forth in subsections 41-1016(1)(a) through (o) exist, including specifically subsections (d) and (h), which prohibit:

(d) Improperly withholding, misappropriating or converting any moneys or properties received in the course of doing insurance business;

...

(h) Using fraudulent, coercive or dishonest practices, or demonstrating incompetence, untrustworthiness or financial irresponsibility, or being a source of injury and loss to the public or others, in the conduct of business in this state or elsewhere;

8. Idaho Code § 41-1323(1) provides that no person shall wilfully collect any sum as premium or charge for insurance, which insurance is not then provided or is not in due course to be provided (subject to acceptance of the risk by the insurer) by an insurance policy issued by an insurer as authorized by title 41, Idaho Code.

9. Idaho Code § 41-117 provides that each instance of violation may be considered a separate offense.

10. Pursuant to Idaho Code § 41-1026(3), the Director shall not issue a license under title 41, Idaho Code, to any person whose license has been revoked until after the expiration of not less than one (1) year to a maximum of five (5) years and, upon a former licensee's application for re-licensure, the Director may require the former licensee "to show good cause why the prior revocation ... shall not be deemed a bar to the issuance of a new license."

### COUNT I

11. All of the foregoing paragraphs are realleged and incorporated herein as though set forth in full.

12. PACKHAM maintained a premium account with Bank of Commerce in connection with premiums collected for PACKHAM INSURANCE.

13. Between the dates of July 27, 2017, and June 26, 2019, this premium account accumulated \$8,863.15 in insufficient fund fees, overdraft fees, and balance requirement fees.

14. PACKHAM was unable to remedy these fees because he did not conduct regular reconciliations of the premium account.

15. Bank of Commerce closed the premium account on August 2, 2019. The account had a negative balance at the time it was closed.

16. PACKHAM violated Idaho Code § 41-1016(1)(h) by demonstrating incompetence or financial irresponsibility by failing to cure the overdrafts in his premium account.

### **COUNT II**

17. All of the foregoing paragraphs are realleged and incorporated herein as though set forth in full.

18. Between the months of January 2018 and February 2019, PACKHAM INSURANCE received \$70,382.50 in cash payments for insurance premiums.

19. PACKHAM deposited only \$47,647.00 in the premium account during this period and \$884 in a trust account, leaving \$21,851.50 in cash payments unaccounted for.

20. PACKHAM violated Idaho Code § 41-1016(1)(d) by improperly withholding, misappropriating or converting \$21,851.50 in cash payments received in the course of doing insurance business.

### **COUNT III**

21. All of the foregoing paragraphs are realleged and incorporated herein as though set forth in full.

22. Among the cash payments received by PACKHAM INSURANCE during the period described in Count II were payments made by a consumer herein identified as P.P.

23. On or about November 15, 2018, P.P. made two cash payments to PACKHAM INSURANCE: a payment of \$300.00 for his Progressive policy and a payment of \$500.00 for his Scottsdale Insurance policy.

24. P.P.'s Scottsdale Insurance policy had expired on January 23, 2018. PACKHAM failed to notify P.P. that his policy had expired. PACKHAM continued to collect payments on the policy after its expiration.

25. Between November 15, 2018, and November 22, 2018, PACKHAM deposited only \$470.00 in cash in the premium account, leaving \$330.00 of P.P.'s funds unaccounted for.

26. PACKHAM did not use the \$500.00 payment for the Scottsdale policy to obtain insurance for P.P.

27. PACKHAM did not refund the \$500.00 payment to P.P.

28. PACKHAM violated Idaho Code § 41-1016(1)(h) by demonstrating incompetence or untrustworthiness, and being a source of injury and loss to the public by failing to notify P.P. that P.P.'s policy with Scottsdale had expired.

29. PACKHAM violated Idaho Code § 41-1323(1) by wilfully collecting \$500.00 from P.P. as a premium or charge for insurance, which insurance was not then provided.

#### **COUNT IV**

30. All of the foregoing paragraphs are realleged and incorporated herein as though set forth in full.

31. On or about November 30, 2017, a consumer herein identified as M.W. applied for an American Reliable insurance policy from PACKHAM INSURANCE.

32. MORALES issued the quote for this policy, wrote the policy, and transmitted it to American Reliable without PACKHAM's signature.

33. MORALES violated Idaho Code § 41-117A by transacting insurance without having first obtained a license from the Department.

#### **COUNT V**

34. All of the foregoing paragraphs are realleged and incorporated herein as though set forth in full.

35. On or about June 3, 2019, a consumer herein identified as J.A. made a cash payment to PACKHAM INSURANCE of \$162.19 for the premium on J.A.'s Travelers policy.

36. PACKHAM deposited \$615.00 in cash in the premium account on June 3, 2019. PACKHAM's records do not indicate whether J.A.'s funds were among those deposited.

37. PACKHAM never transmitted the payment of \$162.19 to Travelers.

38. PACKHAM did not refund the \$162.19 payment to J.A.

39. PACKHAM violated Idaho Code § 41-1016(1)(d) by improperly withholding, misappropriating or converting J.A.'s premium payment of \$162.19.

40. PACKHAM violated Idaho Code § 41-1016(1)(h) by demonstrating incompetence or untrustworthiness, and being a source of injury and loss to the public by failing to transmit payment for J.A.'s policy.

#### **COUNT VI**

41. All of the foregoing paragraphs are realleged and incorporated herein as though set forth in full.

42. On or about March 5, 2019, a consumer herein identified as D.C. purchased a Kemper Insurance home and auto policy from PACKHAM INSURANCE.

43. MORALES wrote this policy.

44. On or about March 5, 2019, D.C. gave MORALES a check for \$745.75 for the premium on the policy.

45. Neither PACKHAM nor MORALES ever deposited D.C.'s check in the premium account.

46. Because no payment was ever made, Kemper Insurance did not issue a policy to D.C., leaving D.C. uninsured.

47. On or about March 15, 2019, D.C. attempted to make a claim against his auto insurance, only to learn that his policy had not been issued.

48. MORALES violated Idaho Code § 41-117A by transacting insurance without having first obtained a license from the Department.

49. PACKHAM violated Idaho Code § 41-1016(1)(d) by improperly withholding, misappropriating or converting D.C.'s premium payment of \$745.75.

50. PACKHAM violated Idaho Code § 41-1016(1)(h) by demonstrating incompetence or untrustworthiness, and being a source of injury and loss to the public by failing to complete the purchase of D.C.'s policy.

51. PACKHAM violated Idaho Code § 41-1323(1) by wilfully collecting \$745.75 from D.C. as a premium or charge for insurance, which insurance was not then provided.

## COUNT VII

52. All of the foregoing paragraphs are realleged and incorporated herein as though set forth in full.

53. On or about April 13, 2018, Deroche Oil issued a check to PACKHAM INSURANCE for \$1,975.49 for the premiums of two policies with Auto Owners: a Tailored

Protection policy with a premium of \$1,382.49 and a Commercial Umbrella policy with a premium of \$593.00.

54. On or about May 16, 2018, PACKHAM transmitted payment for the Tailored Protection policy to Auto Owners, but never transmitted payment for the Commercial Umbrella policy.

55. On or about April 26, 2018, Auto Owners cancelled Deroche Oil's Commercial Umbrella policy for non-payment.

56. PACKHAM did not refund the payment of \$593.00 to Deroche Oil.

57. PACKHAM violated Idaho Code § 41-1016(1)(d) by improperly withholding, misappropriating or converting Deroche Oil's premium payment of \$593.00.

58. PACKHAM violated Idaho Code § 41-1016(1)(h) by demonstrating incompetence or untrustworthiness, and being a source of injury and loss to the public by failing to transmit payment for Deroche Oil's Commercial Umbrella policy.

59. PACKHAM violated Idaho Code § 41-1323(1) by wilfully collecting \$593.00 from Deroche Oil as a premium or charge for insurance, which insurance was not then provided.

### **COUNT VIII**

60. All of the foregoing paragraphs are realleged and incorporated herein as though set forth in full.

61. A consumer herein identified as K.C. had an insurance policy with Auto Owners obtained through PACKHAM INSURANCE. K.C. renewed this policy on or about March 6, 2018.

62. On or about May 17, 2018, Auto Owners notified K.C. and PACKHAM INSURANCE that, as a result of a premium audit, K.C. owed an additional \$34.00 on the policy.

63. On or about May 30, 2018, K.C. issued a check to PACKHAM INSURANCE for \$34.00 to pay for the additional premium.

64. On or about May 30, 2018, PACKHAM deposited the check in the premium account, but never transmitted the funds to Auto Owners.

65. On or about February 28, 2019, Auto Owners cancelled K.C.'s policy for non-payment.

66. PACKHAM did not refund the payment of \$34.00 to K.C.

67. PACKHAM violated Idaho Code § 41-1016(1)(d) by improperly withholding, misappropriating or converting K.C.'s premium payment of \$34.00.

68. PACKHAM violated Idaho Code § 41-1016(1)(h) by demonstrating incompetence or untrustworthiness, and being a source of injury and loss to the public by failing to transmit payment for K.C.'s policy.

69. PACKHAM violated Idaho Code § 41-1323(1) by wilfully collecting \$34.00 from K.C. as a premium or charge for insurance, which insurance was not then provided.

#### **COUNT IX**

70. All of the foregoing paragraphs are realleged and incorporated herein as though set forth in full.

71. On or about June 14, 2019, a consumer herein identified as D.M. made a cash payment to PACKHAM INSURANCE of \$131.00 for the premium on D.M.'s Auto Owners policy.

72. PACKHAM's records do not indicate whether D.M.'s funds were deposited in the premium account.

73. PACKHAM never transmitted the payment of \$131.00 to Auto Owners.

74. On or about June 15, 2019, Auto Owners cancelled D.M.'s policy for non-payment.

75. PACKHAM did not refund the \$131.00 payment to D.M.

76. PACKHAM violated Idaho Code § 41-1016(1)(d) by improperly withholding, misappropriating or converting J.A.'s premium payment of \$162.19.

77. PACKHAM violated Idaho Code § 41-1016(1)(h) by demonstrating incompetence or untrustworthiness, and being a source of injury and loss to the public by failing to transmit payment for D.M.'s policy.

78. PACKHAM violated Idaho Code § 41-1323(1) by wilfully collecting \$131.00 from D.M. as a premium or charge for insurance, which insurance was not then provided.

#### **COUNT X**

79. All of the foregoing paragraphs are realleged and incorporated herein as though set forth in full.

80. On or about March 6, 2019, a consumer herein identified as C.C. issued a check to PACKHAM INSURANCE for \$1,059.63 for the premium on C.C.'s Auto Owners policy.

81. On or about March 15, 2019, PACKHAM deposited the check in the premium account, but never transmitted the funds to Auto Owners.

82. On or about June 15, 2019, Auto Owners cancelled C.C.'s policy for non-payment.

83. PACKHAM did not refund the \$1,059.63 payment to C.C.

84. PACKHAM violated Idaho Code § 41-1016(1)(d) by improperly withholding, misappropriating or converting C.C.'s premium payment of \$1,059.63.

85. PACKHAM violated Idaho Code § 41-1016(1)(h) by demonstrating incompetence or untrustworthiness, and being a source of injury and loss to the public by failing to transmit payment for C.C.'s policy.

86. PACKHAM violated Idaho Code § 41-1323(1) by wilfully collecting \$1,059.63 from C.C. as a premium or charge for insurance, which insurance was not then provided.

#### **COUNT XI**

87. All of the foregoing paragraphs are realleged and incorporated herein as though set forth in full.

88. On or about December 13, 2018, Trigger, Inc. issued a check to PACKHAM INSURANCE for \$1,384.00 for the premium on its Auto Owners policy.

89. On or about December 18, 2018, PACKHAM deposited the check in the premium account, but never transmitted the funds to Auto Owners.

90. PACKHAM did not refund the \$1,384.00 payment to Trigger, Inc.

91. PACKHAM violated Idaho Code § 41-1016(1)(d) by improperly withholding, misappropriating or converting Trigger, Inc.'s premium payment of \$1,384.00.

92. PACKHAM violated Idaho Code § 41-1016(1)(h) by demonstrating incompetence or untrustworthiness, and being a source of injury and loss to the public by failing to transmit payment for Trigger, Inc.'s policy.

#### **COUNT XII**

93. All of the foregoing paragraphs are realleged and incorporated herein as though set forth in full.

94. On or about June 6, 2019, a consumer herein identified as S.G. issued a check to PACKHAM INSURANCE for \$49.02 for the premium on S.G.'s new Travelers policy.

95. On or about June 6, 2019, PACKHAM deposited the check in the premium account, but never transmitted the funds to Travelers.

96. Because PACKHAM did not transmit the funds to Travelers, S.G.'s policy never became valid.

97. PACKHAM did not refund the \$49.02 payment to S.G.

98. PACKHAM violated Idaho Code § 41-1016(1)(d) by improperly withholding, misappropriating or converting S.G.'s premium payment of \$49.02.

99. PACKHAM violated Idaho Code § 41-1016(1)(h) by demonstrating incompetence or untrustworthiness, and being a source of injury and loss to the public by failing to transmit payment for S.G.'s policy.

100. PACKHAM violated Idaho Code § 41-1323(1) by wilfully collecting \$49.02 from S.G. as a premium or charge for insurance, which insurance was not then provided.

### **COUNT XIII**

101. All of the foregoing paragraphs are realleged and incorporated herein as though set forth in full.

102. On or about May 19, 2019, a consumer herein identified as B.S. issued a check to PACKHAM INSURANCE for \$203.00 for the premium on B.S.'s Progressive policy.

103. On or about May 24, 2019, PACKHAM deposited the check in the premium account, but never transmitted the funds to Progressive.

104. On or about May 19, 2019, Progressive cancelled B.S.'s policy for non-payment.

105. PACKHAM did not refund the \$203.00 payment to B.S.

106. PACKHAM violated Idaho Code § 41-1016(1)(d) by improperly withholding, misappropriating or converting B.S.'s premium payment of \$203.00.

107. PACKHAM violated Idaho Code § 41-1016(1)(h) by demonstrating incompetence or untrustworthiness, and being a source of injury and loss to the public by failing to transmit payment for B.S's policy.

108. PACKHAM violated Idaho Code § 41-1323(1) by wilfully collecting \$203.00 from B.S. as a premium or charge for insurance, which insurance was not then provided.

#### **COUNT XIV**

109. All of the foregoing paragraphs are realleged and incorporated herein as though set forth in full.

110. On or about May 10, 2019, A to Z Guns and Pawns issued a check to PACKHAM INSURANCE for \$1,939.00 for the premium on A to Z's Granite State policy.

111. On or about May 10, 2019, PACKHAM deposited the check in the premium account, but never transmitted the funds to Granite State.

112. PACKHAM violated Idaho Code § 41-1016(1)(h) by demonstrating incompetence or untrustworthiness, and being a source of injury and loss to the public by failing to transmit payment for B.S's policy.

113. PACKHAM violated Idaho Code § 41-1323(1) by wilfully collecting \$1,939.00 from B.S. as a premium or charge for insurance, which insurance was not then provided.

#### **COUNT XV**

114. All of the foregoing paragraphs are realleged and incorporated herein as though set forth in full.

115. Idaho Code § 41-1026(2) provides that suspension or revocation of any one (1) license held by a licensee under title 41, Idaho Code, shall automatically suspend or revoke all other licenses held by the licensee under title 41, Idaho Code.

116. Revocation of PACKHAM's insurance producer license, as prayed herein, gives the Department cause for simultaneous revocation of PACKHAM's surplus lines broker license, pursuant to Idaho Code § 41-1026(2).

#### COUNT XVI

117. All of the foregoing paragraphs are realleged and incorporated herein as though set forth in full

118. Idaho Code § 41-1016(1) provides in relevant part:

The director may impose an administrative penalty not to exceed one thousand dollars (\$1,000), ... and may suspend for not more than twelve (12) months or may revoke or refuse to issue or continue any license issued under [chapter 10], ... title 41, Idaho Code ..., if the director finds that as to the licensee or applicant any one (1) or more of the following causes or violations exist:

...

(b) Violating any provision of title 41, Idaho Code, or department rule, subpoena or order of the director ...[.]

119. Idaho Code § 41-1007(2) requires that a business entity acting as an insurance producer is required to obtain an insurance producer license. It further requires, at subsection (b)(2), that the entity must have a designated licensed producer, "who is an individual responsible for the business entity's compliance with the insurance laws and rules of [Idaho]." Idaho Code § 41-1007(2)(b).

120. Revocation of PACKHAM's insurance producer license, as prayed herein, will leave PACKHAM INSURANCE without a designated responsible licensed producer.

121. Revocation of PACKHAM's insurance producer license, as prayed herein, gives the Department cause for simultaneous revocation of PACKHAM INSURANCE's agency producer license, pursuant to Idaho Code §§ 41-1007(2) and 41-1016(1)(b).

### **PRAYER FOR RELIEF**

Based on the foregoing facts and allegations, the Department prays for relief as follows:

1. For an Order revoking SCOTT ORSON PACKHAM's Idaho Resident Producer License No. 13001 and Idaho Resident Surplus Lines Broker License No. 13001, and providing that PACKHAM shall not be issued a new license under title 41, Idaho Code, for a period of five (5) years after which time, in the event PACKHAM seeks a new license, PACKHAM must petition and show good cause why the prior revocation should not be deemed a bar to the issuance of a new license; and
2. For an Order imposing an administrative penalty against PACKHAM in the amount of \$1,000 for each violative act as alleged herein in such total number as shall be proven at hearing, but, in the event of a default, an amount not less than Thirty-One Thousand Dollars (\$31,000), which represents \$1,000 per violation of title 41, Idaho Code, as alleged herein; and
3. For an Order imposing an administrative penalty against JULIENE MORALES in an amount not less than Five Thousand Dollars (\$5,000) for violation of Idaho Code § 41-117A, as alleged herein;
4. For an Order revoking PACKHAM INSURANCE's Idaho Resident Producer Agency License No. 2194, and providing that PACKHAM INSURANCE shall not be issued a new license under title 41, Idaho Code, for a period of five (5) years after which time, in the event PACKHAM INSURANCE seeks a new license, PACKHAM INSURANCE must petition and show good cause why the prior revocation should not be deemed a bar to the issuance of a new license; and
5. For such other and further relief as the Director deems just and necessary under the circumstances.

## NOTIFICATION OF RIGHTS

**TO: SCOTT ORSON PACKHAM, JULIENE MORALES, and PACKHAM  
INSURANCE AGENCY, INC., the above-named RESPONDENTS:**

Pursuant to Idaho Code § 41-232A, you have the right to a hearing on this matter. In order to exercise this right, a written request for a hearing must be filed and served upon the Department within twenty-one (21) days after service of this Complaint. Failure to file and serve a written request for a hearing upon the Department within the 21-day time period shall be deemed a waiver of the opportunity for a hearing and to contest the allegations in the Complaint, pursuant to Idaho Code § 41-232A(2). If you fail to submit a timely written response to the allegations within 21 days of the service of this Complaint, a final order will be entered imposing the relief described above.

Any written request for a hearing shall be served on the Director of the Idaho Department of Insurance, addressed as follows:

Dean L. Cameron, Director  
Idaho Department of Insurance  
P.O. Box 83720  
Boise, ID 83720-0043

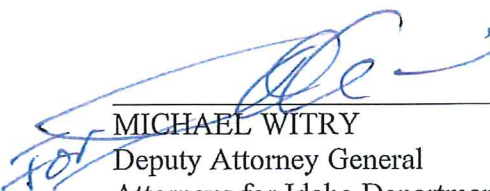
A copy shall also be provided to the Department's counsel in this matter at the following address:

Michael Witry  
Deputy Attorney General  
Idaho Department of Insurance  
P.O. Box 83720  
Boise, ID 83720-0043

In lieu of a hearing, this matter may be resolved by negotiation, stipulation, agreed settlement, or consent order, pursuant to Idaho Code § 67-5241(1)(c). Should you wish to discuss these options, please contact the undersigned deputy attorney general.

DATED this 16<sup>th</sup> day of March, 2020.

STATE OF IDAHO  
OFFICE OF THE ATTORNEY GENERAL

  
MICHAEL WITRY  
Deputy Attorney General  
Attorneys for Idaho Department of Insurance

**VERIFICATION**

STATE OF IDAHO            )  
                                      : ss.  
County of Ada            )

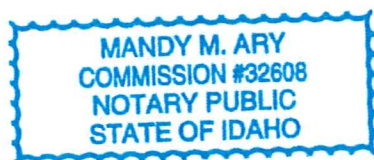
WESTON TREXLER, Deputy Director of the Department of Insurance, State of Idaho,  
being first duly sworn, deposes and says:

I have read the foregoing Verified Complaint and Notice of Right to Hearing and know  
the contents thereof and the same are true to the best of my knowledge and belief.

Dated this 16 day of March 2020.

  
WESTON TREXLER  
Deputy Director

SUBSCRIBED AND SWORN to before me the undersigned Notary Public of Idaho this  
16<sup>th</sup> day of March 2020.



  
Notary Public for Idaho  
My Commission Expires 7/24/24

### CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on this 16<sup>th</sup> day of March 2020, I caused a true and correct copy of the foregoing VERIFIED COMPLAINT AND NOTICE OF RIGHT TO HEARING to be served upon the following by the designated means:

Scott O. Packham  
119 N 400 W  
Blackfoot, ID 83221

- ☒ first class mail  
☐ certified mail  
☐ hand delivery  
☐ via facsimile

Scott O. Packham  
123 N 400 W  
Blackfoot, ID 83221

- ☒ first class mail  
☐ certified mail  
☐ hand delivery  
☐ via facsimile

Scott O. Packham  
P.O. Box 39  
Blackfoot, ID 83221

- ☒ first class mail  
☐ certified mail  
☐ hand delivery  
☐ via facsimile

Packham Insurance Agency, Inc.  
17 S. Broadway Street  
Blackfoot, ID 83221

- ☒ first class mail  
☐ certified mail  
☐ hand delivery  
☐ via facsimile

Juliene Morales  
537 W 300 N  
Blackfoot, ID 83221

- ☒ first class mail  
☐ certified mail  
☐ hand delivery  
☐ via facsimile

American Family Life Assurance Co. of Columbus  
1932 Wynnton Road  
Columbus, GA 31999-0001

- ☒ first class mail  
☐ certified mail  
☐ hand delivery  
☐ via facsimile

Church Mutual Insurance Co. S.I.  
3000 Schuster Lane  
Merrill, WI 54452

- ☒ first class mail  
☐ certified mail  
☐ hand delivery  
☐ via facsimile

Philadelphia Indemnity Insurance Company  
3 Bala Plaza W., Ste. 400  
Bala-Cynwyd, PA 19004-3400

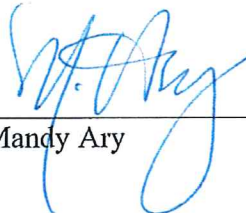
- ☒ first class mail
- ☐ certified mail
- ☐ hand delivery
- ☐ via facsimile

American Reliable Insurance Company  
8667 E. Hartford Drive, Ste. 225  
Scottsdale, AZ 85255-6565

- ☒ first class mail
- ☐ certified mail
- ☐ hand delivery
- ☐ via facsimile

United Financial Casualty Company  
6300 Wilson Mills Road, W33  
Cleveland, OH 44143-2182

- ☒ first class mail
- ☐ certified mail
- ☐ hand delivery
- ☐ via facsimile

  
\_\_\_\_\_  
Mandy Ary