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For Immediate Release

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DA Announces \$1.1 Million Settlement With Insurance Companies Accused of Secret Payments

San Diego Insurance Broker Was Part of Unfair Competition Scheme

San Diego County District Attorney [Bonnie M. Dumanis](#) today announced the settlement of a civil unfair competition suit against three of the nation's largest insurance firms. The cases allege the companies made undisclosed payments to a San Diego insurance broker in order to unfairly obtain business.

"These large insurance companies were lining the pockets of a San Diego insurance broker in exchange for sending business their way," said DA Dumanis. "The kickbacks and hidden fees were secretly being passed along to the consumer, who was the loser in this scheme."

The three parallel civil complaints filed today contend that the Universal Life Resources (ULR), a San Diego-based insurance brokerage firm, worked with large businesses looking for the best insurance value in life, disability, and health insurance for their employees. However, the lawsuits allege that ULR received hundreds of thousands of dollars in undisclosed payments from the insurance companies to funnel business to the insurers. Previously, ULR has settled [similar civil suits](#) in California and New York.

Named in the three complaints are Metropolitan Life Insurance Company of New York ([MetLife](#)), Prudential Insurance Company of America of Newark, New Jersey ([Prudential](#)), and Unum Insurance Company of Maine ([Unum](#)). As part of the settlement, the companies are required the insurers to begin disclosing any and all payments to independent insurance brokers.

The defendants, who did not admit liability in the stipulated judgments filed today in San Diego Superior Court, also agreed to pay a total of \$1.1 million in costs and civil penalties (MetLife agreed to pay \$500,000; Prudential agreed to \$350,000; and Unum agreed to \$250,000.) Thanks to recently enacted legislation in California, the civil penalties will go to help finance further public enforcement to assure fair competition.

The case was prosecuted jointly by the San Diego County District Attorney's Office, the Alameda District Attorney's Office, and the Los Angeles District Attorney's Office. The prosecutors noted that all three companies worked cooperatively with the district attorneys to achieve these settlements.

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