



NEWS RELEASE

For Immediate Release - April 15, 2009

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Sale of Fake Travel Insurance Prompts DORA's Insurance Division to order Cease and Desist against Prime Travel Protection of Arvada

The Colorado Division of Insurance has issued a Cease and Desist order against Prime Travel Protection, Inc., formerly known as Vacation Protection Services, Inc. and Traveler Protection Services, Inc., Universal Assurance, Ltd., Jerry Watson, and Christine Watson, for the unlawful transaction and sale of insurance in Colorado.

"There are many protections in place for consumers when purchasing insurance from a licensed company or through a licensed agent," said Marcy Morrison, Colorado's Commissioner of Insurance. "Travel insurance companies must prove they have adequate financial reserves to cover claims, for example. Licensed companies must answer to the Division of Insurance if we receive documented complaints about their practices. But when a consumer chooses to go with the too-good-to-be-true deal, he may find that he has paid for absolutely zero protection. If the company isn't licensed by the state, many of the legal protections in place don't apply."

A number of consumers, both in Colorado and in other states, purchased "trip protection" from Arvada-based "Prime Travel Protection Services," which was later investigated for the sale of non-licensed insurance products. The company and its principals were not licensed to sell or market insurance. Many of the consumers believed the coverage was valid because it was offered to them through travel agencies and the website of Prime Travel Protection purported to have its product underwritten by an insurer with an A rating from A.M. Best.

The Division of Insurance's Cease and Desist order will ensure that Prime Travel Protection, Inc. does not continue to sell or market its unauthorized product. The principals in each company, names of companies, and actions taken against them are included in the official Cease and Desist order which can be found on the Division of Insurance website, under "2009 enforcement actions" or at this link:
<http://www.dora.state.co.us/insurance/enforcement/2009/O09145.pdf>

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What should consumers do if they purchased travel benefit products through Prime Travel Protection, Inc., Vacation Protection Services, Inc., Traveler Protection Services, Inc.; Universal Assurance, Ltd; and/or Jerry A. Watson; and Christine C. Watson?

- Consumers in other states should contact the insurance department or Attorney General's Office of the state in which they reside.
- Consumers who paid by credit card should contact the credit card company in writing, using the same address provided for billing errors. State the date of the transaction, the amount charged, and why you are asking for the amount to be refunded to your account. However, do not delay, as the request for credit/refund should occur within the same billing cycle when it was charged.
- Colorado consumers may contact the Colorado Division of Insurance for more information on how to find a licensed agent or company. However, because Prime Travel Protection and Universal Assurance Group, Ltd. are not and were not licensed to conduct the business of insurance in Colorado, the Colorado Division of Insurance is only authorized by law to issue a Cease and Desist order.
- Consumers who have an unpaid claim with the travel benefit companies may wish to consult a private attorney for legal advice regarding possible civil remedies.

More information and a list of frequently asked questions about travel and trip insurance is available on the Division of Insurance website at:

<http://www.dora.state.co.us/insurance/consumer/travel.htm>

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DORA is dedicated to preserving the integrity of the marketplace and is committed to promoting a fair and competitive business environment in Colorado. Consumer protection is our mission.

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