

**State of Rhode Island**  
**DEPARTMENT OF BUSINESS REGULATION**  
**Insurance Division**  
**1511 Pontiac Avenue, Bldg. 69-2**  
**Cranston, Rhode Island 02920**

IN THE MATTER OF:

FETCH INSURANCE SERVICES LLC

RESPONDENT.

**DBR No. 2021-IN-006**

**CONSENT AGREEMENT**

It is hereby agreed between the Rhode Island Department of Business Regulation (“Department”) and Fetch Insurance Services LLC (“Respondent” or “Fetch”) as follows:

1. Respondent (NPN 8733431) is licensed as a business entity insurance producer in Rhode Island. Fetch also holds a managing general agent license in Rhode Island.
2. In the spring of 2021, a Department employee signed up, on Respondent’s websites, for quotes for pet insurance.
3. On April 22, 2021, Respondent sent an email to the Department employee with the subject line “Today only: Enroll Petplan + get a \$25 Visa gift card!” This email included several buttons labeled “Enroll now” as well as a large banner stating, “Get a \$25 Visa card.”
4. On April 23, 2021, the Department employee received an email with the subject line “questions about Petplan’s plan?” In that email was a link stating “Enroll now and get a \$25 Visa gift card.”
5. On May 7, 2021, Respondent sent an email to a different Department employee with the subject line “One more day: We forgot to turn off this great deal.” Within that email was an offer “EXTENDED! Get a \$25 Walmart gift card!”

6. Through May 20, 2021, Department employees received numerous other solicitations for Respondent's pet insurance, offering \$25 gift cards, stating "last chance," "one day left," and "time is running out," referring to the gift card offer expiration. However, future emails followed with additional offers of the \$25 gift card for signing up.

7. As a result thereof, the Department alleges that these additional emails suggest that the \$25 offer was not available for "today only." The Department alleges further that these emails conveyed a sense of urgency which may or may not have been founded in fact.

8. Additionally, offering a gift as an inducement to enter into an insurance contract is prohibited by Rhode Island statutes unless the gift is plainly expressed as being a benefit included in the policy. Respondent has stated that the offer was specified in the pet insurance policy that was filed with and approved by the Department. The Department's position is that the policy filing was not specific as to when the offers would be made.

9. Respondent has cooperated with the Department in the course of its review and has continued to be cooperative. During the pendency of the Department's review, Respondent voluntarily suspended its gift card promotion in Rhode Island.

#### **Relevant Rhode Island Law and Regulations**

10. R.I. Gen. Laws § 27-29-4 prohibits unfair and deceptive acts or practices in the business of insurance.

11. R.I. Gen. Laws § 27-29-4(1) prohibits misrepresentations by act or omission with regards to policies, contracts or other sales materials.

12. R.I. Gen. Laws § 27-29-4(2) prohibits the presentation of advertisements relating to the business of insurance that are "untrue, deceptive, or misleading."

13. R.I. General Laws § 27-29-4(8) prohibits an insurer from providing valuable consideration or inducements in the issuance of an insurance contract and prohibits rebating of premiums in insurance products unless those are specified in the policy.

14. R.I. General Laws § 27-6-46 prohibits the provision of valuable consideration or inducements in the issuance of an inland marine insurance contract and prohibits rebating of premiums in inland marine insurance products.

15. The language of R.I. General Laws § 27-29-4(8) was based principally on the National Association of Insurance Commissioner's ("NAIC") Model Unfair Trade Practices Act ([Model 880](#)), Section 4(H)(I). However, the Department has since developed its own policy with respect to inducements. In Rhode Island, if a licensee makes the offer available to all consumers regardless of whether the consumer binds coverage, then the licensee may make the offer. Thus, Rhode Island law prohibits the tying of the item to the purchase of insurance. This interpretation is set forth in [Insurance Bulletin 2009-9](#), which states "a licensee is expressly prohibited from giving a "gift" which requires the actual purchase of an insurance policy." The Bulletin lays out three conditions under which a licensee might offer gifts in exchange for a quote, of which the first condition was that "the gift is not contingent on the purchase or renewal of a policy."

16. R.I. Gen. Laws § 42-14-16 outlines administrative penalties available for violations of the above cited laws, including fines up to \$50,000 per violation.

**THEREFORE**, based on the foregoing, Respondent and the Department have decided to resolve this matter without further administrative proceedings and hereby agree to the following resolution:

- I. Respondent acknowledges the above-referenced factual allegations and is entering into this Consent Agreement in an effort to resolve this matter fully and fairly.

- II. Respondent agrees not to offer its gift card promotion in Rhode Island unless (i) clearly laid out in the insurer's filed and approved insurance policy forms or (ii) the Department has given its prior written approval otherwise.
- III. *Respondent agrees to continue to work with the Department to address outstanding concerns the Department has regarding Respondent's marketing and promotional efforts.*
- IV. Respondent agrees to the assessment of an administrative penalty of thirty thousand dollars (\$30,000) to resolve this matter in the manner set forth below.
  - a. Respondent agrees to pay ten thousand dollars (\$10,000) of the administrative penalty within thirty days of the execution of this Consent Agreement.
  - b. The Department agrees to defer for a period of time described herein twenty thousand dollars (\$20,000) of the administrative penalty, pursuant to paragraphs IV (c through f), below.
  - c. Respondent agrees to reissue, within sixty days of the execution of this Consent Agreement, its offer of a gift card to 718 Rhode Island consumers eligible for the gift card who have not accepted a gift card. Any amounts that are delivered in gift cards to Rhode Island consumers will be deducted from the overall administrative penalty amount set forth in paragraph IV (b) above.
  - d. Respondent agrees to provide a summary report to the Department on its progress of delivering gift cards within ninety (90) days of the execution of this Consent Agreement, and every thirty days thereafter until submission of the final report described in paragraph IV (e) below.
  - e. Within one hundred and eighty days of signing this Consent Agreement, Respondent agrees to submit a final report to the Department identifying the gift cards delivered which identification shall not include any Personal Identifiable Information of a

consumer. The Department will review the final report, and identify any concerns within two-weeks. The Department agrees to reduce the \$30,000 administrative penalty by the total dollar amount of gift cards delivered by Respondent.

f. Within thirty days of the submission of the final report, Respondent agrees to make a payment of any outstanding amount from the \$20,000 deferred portion of the administrative penalty.

V. Waiver of Hearing and Appeal. By agreeing to resolve this matter through the execution of this Consent Agreement, Respondent knowingly and voluntarily waives any right to an administrative hearing and waives any right to pursue an appeal to the Superior Court under the Rhode Island Administrative Procedures Act, R.I. Gen. Laws § 42-35-1 *et seq.*

VI. Enforcement. If Respondent fails to comply with any term or condition of this Consent Agreement within any applicable time period set forth herein, Respondent will be in violation hereunder and the Department shall be entitled to immediately to take enforcement or other action in accordance with applicable law.

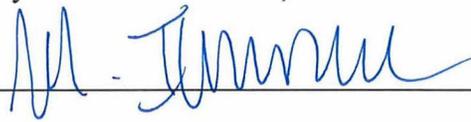
VII. Compliance; Other Laws. Compliance with the terms of this Consent Agreement does not relieve the Respondent of any obligation to comply with other applicable laws or regulations administered by or through the Department or any other governmental agency.

Counsel for the Department and Respondent hereby consent and agree to the foregoing on behalf of their respective clients this 9<sup>th</sup> day of February, 2022.

Department of Business Regulation  
By its Legal Counsel,

  
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Fetch Insurance Services, LLC  
By its General Counsel,

  
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