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2011 SEP 26 A 11: 26

OFFICE OF
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BEFORE THE STATE OF WASHINGTON
OFFICE OF INSURANCE COMMISSIONER

In the Matter of:)	
)	No. 11-0072
ROBERT S. SMITH,)	
)	ORDER TERMINATING
Licensee.)	PROCEEDINGS
_____)	

TO: Robert S. Smith
8606 134th Court NE
Redmond, WA 98052

COPY TO: Mike Kreidler, Insurance Commissioner
Michael G. Watson, Chief Deputy Insurance Commissioner
Carol Sureau, Deputy Commissioner, Legal Affairs Division
Andrea L. Philhower, Staff Attorney, Legal Affairs Division
John F. Hamje, Deputy Commissioner, Consumer Protection Division
Office of the Insurance Commissioner
PO Box 40255
Olympia, WA 98504-0255

On March 25, 2011, Robert S. Smith (Applicant) filed a letter with the undersigned requesting a hearing to challenge the Insurance Commissioner's (OIC) denial of his application to reinstate his Insurance Producer's License. A prehearing telephone conference was scheduled to occur on July 11, but did not take place.

Thereafter, on July 19, 2011, the parties fully executed a settlement agreement, entitled Consent Order Setting Conditions for Probationary Producer's License, No. 11-0148, although the undersigned was not informed of the fact that this case was settled until said Consent Order was filed on September 14.

ORDER TERMINATING PROCEEDINGS

No. 11-0072

Page 2

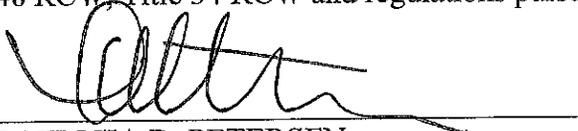
The above referenced July 19, 2011, Consent Order settling this matter is attached hereto and is by this reference incorporated herein. To clarify this document, it is noted that while this Consent Order includes "Findings of Facts" and "Conclusions of Law," this case was settled prior to hearing (adjudicative proceeding) and therefore this case was never adjudicated. The statements identified as "Findings of Fact" and "Conclusions of Law" are actually simply agreements made between the two parties as to the facts and law and are not Findings of Fact or Conclusions of Law which would be made by an adjudicator after an adjudicative proceeding.

Based upon the above activity,

IT IS HEREBY ORDERED that the parties have entered into a Consent Order with the intent of settling this matter prior to hearing. Said Consent Order is filed in this matter and is attached hereto, with the clarification that this case was settled prior to hearing (adjudicative proceeding) and therefore this case was never adjudicated. For this reason, the statements identified as "Findings of Fact" and "Conclusions of Law" are actually simply agreements made between the two parties as to the facts and law and are not Findings of Fact or Conclusions of Law which would be made by an adjudicator after an adjudicative proceeding.

IT IS FURTHER ORDERED that this proceeding, Docket No. 11-0072, is hereby dismissed with prejudice.

Entered this 26th day of September 2011, at Tumwater, Washington, pursuant to Title 48 RCW, Title 34 RCW and regulations pursuant thereto.



PATRICIA D. PETERSEN

Presiding Officer

Chief Hearing Officer

Declaration of Mailing

I declare under penalty of perjury under the laws of the State of Washington that on the date listed below, I mailed or caused delivery through normal office mailing custom, a true copy of this document to the following people at their addresses listed above: Robert S. Smith, Mike Kreidler, Mike Watson, John F. Hamje, Carol Sureau, and Andrea L. Philhower.

DATED this 26th day of September, 2011


KELLY A. CAIRNS

MIKE KREIDLER
STATE INSURANCE COMMISSIONER

STATE OF WASHINGTON



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Phone: (360) 725-7000
www.insurance.wa.gov

OFFICE OF
INSURANCE COMMISSIONER

2011 SEP 14 A 10: 26

July 21, 2011

Hearings Unit, DIC
Patricia D. Petersen
Chief Hearing Officer

Robert S. Smith
8606 134th Ct. NE
Redmond, WA 98052

Re: Application for Washington Resident Insurance Producer's License
Consent Order No. 11-0148

Dear Mr. Smith:

Enclosed is a fully executed original Consent Order in the above referenced matter for your records. We acknowledge receipt of your July 15, 2011 letter certifying that you have had no other criminal investigation or disciplinary actions in the past five years. Please contact me at 360-725-7061 if you have any further questions or concerns. Thank you.

Sincerely,

A handwritten signature in cursive script that reads "Christine M. Tribe".

Christine M. Tribe, Paralegal
Legal Affairs Division

cc: Andrea L. Philhower, Staff Attorney
Legal Affairs Division

Enclosure





OFFICE OF
INSURANCE COMMISSIONER

IN THE MATTER OF

ROBERT S. SMITH

Licensee.

ORDER NO. 11-0148

CONSENT ORDER SETTING
CONDITIONS FOR PROBATIONARY
PRODUCER'S LICENSE

The Insurance Commissioner of the State of Washington, pursuant to the authority set forth in RCW 48.17.060 and RCW 48.17.530, and having reviewed the official records and files of the Office of the Insurance Commissioner ("OIC"), makes the following:

FINDINGS OF FACT:

1. Robert S. Smith (hereinafter, "Mr. Smith" or "licensee") had a Washington State Resident Insurance Producer license for many years. He has never been the subject of a complaint or investigation involving his insurance license. Mr. Smith's license expired in July, 2010. He has applied to reinstate his Insurance Producer's License, which application is dated February 16, 2011.
2. Mr. Smith disclosed in this application that, in January of 2007, the Securities Administrator of the State of Washington issued a statement of charges against Mr. Smith, among others. (State of Washington Department of Financial Institutions, Securities Division Statement of Charges S-05-121-06-SC01.) The Statement of Charges included allegations that 1) Mr. Smith violated the Securities Act of Washington by participating in the sale of unlicensed securities and 2) that Mr. Smith failed to obtain written authorization from Symetra Investment Services, Inc., where he was registered as a securities salesperson, prior to effecting securities transactions that were not approved or recorded on that firm's books and records, and did not disclose to investors that the sales were not recorded on the books and records of Symetra Investment Services, Inc.
3. In September, 2007, Mr. Smith signed a Consent Order resolving this matter. (State of Washington Department of Financial Institutions, Securities Division Order Number S-05-121-06-CO01.) Under the terms of the Order, Mr. Smith neither admitted nor denied the Tentative Findings of Fact and Conclusions of Law in the Statement of Charges. The Consent Order included a stipulation that Mr. Smith would not apply for nor be granted a broker-dealer, securities salesperson, investment adviser or investment adviser



representative license for a three-year period. Under the Order, Mr. Smith also agreed to pay a fine of \$5,000.

4. Mr. Smith does not deny having participated in the soliciting of investments outlined in the Statement of Charges, but states that he was not aware these investments were securities.

CONCLUSIONS OF LAW:

1. Under RCW 48.17.530(h), the commissioner may place on probation, suspend, revoke, or refuse to issue or renew an insurance producer's license, or may levy a civil penalty or any combination of actions, for using fraudulent, coercive, or dishonest practices, or demonstrating incompetence, untrustworthiness, or financial irresponsibility in this state or elsewhere.

2. The allegations in the Statement of Charges, if proven at hearing, would authorize OIC to suspend, revoke, or refuse to issue or renew an insurance producer's license. Thus, a probationary license is appropriate and authorized under RCW 48.17.530(h).

CONSENT TO ORDER:

Robert S. Smith, acknowledging his duty to comply fully with the applicable laws of the State of Washington, consents to the following in consideration of his desire to become licensed as an insurance producer in Washington and to resolve this matter without further administrative or judicial proceedings. The Insurance Commissioner consents to settle the matter in consideration of the terms set forth below.

1. Robert S. Smith consents to the entry of this Order, waives any and all hearing rights, and further administrative or judicial challenges to this Consent Order.

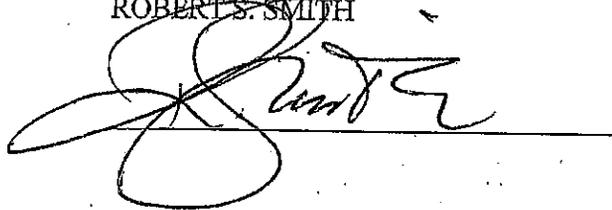
2. By agreement of the parties, the Insurance Commissioner will issue Mr. Smith a probationary insurance producer's license, on the conditions that:

- a. Mr. Smith provides the Insurance Commissioner a written statement which certifies that he has had no other disciplinary actions or criminal violations other than misdemeanor traffic violations in the last five (5) years.
- b. The license issued to Mr. Smith will be a probationary insurance producer's license under RCW 48.17.530. Under the terms of this probationary license, for the period of this first issued license, if any administrative action is taken against any license Mr. Smith holds with any state, any action taken against Mr. Smith by Financial Industry Regulatory Authority ("FINRA"), or if Mr. Smith is convicted of any criminal violation other than misdemeanor traffic violations, this probationary Washington resident license will be revoked.
- c. Mr. Smith understands and agrees that any future failure to comply with the statutes and regulations governing the insurance and securities industries, or

future conviction of a crime other than misdemeanor traffic violations, constitutes grounds for any further penalties which may be imposed in direct response to such further violation, in addition to the revocation of his probationary Washington insurance producer's license.

EXECUTED this 15th day of July, 2011.

ROBERT S. SMITH



ORDER

Pursuant to the foregoing Findings of Fact, Conclusions of Law, and Consent to Order, the Insurance Commissioner hereby orders as follows:

1. Robert S. Smith shall comply with the conditions set forth above.
2. Upon receipt by OIC of this signed Consent Order and the certification set forth in paragraph (2)(a), above, a probationary Washington insurance producer's license will be issued to Mr. Smith.
3. Mr. Smith shall comply with and carry out all applicable laws governing the insurance and securities industries in all states in which he does business, and will also comply with all criminal laws.
4. Mr. Smith's failure to comply with the terms of his probationary licensure shall result in the revocation of his Washington insurance producer's license and in any other enforcement action which may be taken as a result of such further violation.

ENTERED AT TUMWATER, WASHINGTON, this 19th day of July, 2011.

MIKE KREIDLER
Insurance Commissioner

By 
Andrea L. Philhower
OIC Staff Attorney
Legal Affairs Division