

FILED

In the Matter of
JOHN D. LIZANA,
Licensee.

) Docket No. 11 – 0284
)
) **DECLARATION OF**
) **ALAN MICHAEL SINGER**
)
)
)
)

I, Alan Michael Singer, state and declare as follows:

1. My name is Alan Michael Singer. I make this Declaration on the basis of first hand personal knowledge. I am over the age of eighteen (18) years. I am competent and authorized to testify to the matters set forth herein.
2. I am employed by the Washington State Office of the Insurance Commissioner (OIC). My title is Staff Attorney within the Legal Affairs Division.
3. Attached and incorporated by reference herein as “**EXHIBIT 1**” is a true and correct copy of The State of Alabama Department of Insurance (“AL DOI”) order in case number CE-98-AO63937TR regarding licensee John Lizana.
4. Attached and incorporated by reference herein as “**EXHIBIT 2**” is a true and correct copy of Mr. Lizana’s December 5, 2003 communication to the AL DOI.
5. Attached and incorporated by reference herein as “**EXHIBIT 3**” is a true and correct copy of the AL DOI’s order in case number P-2004-198JD regarding licensee John Lizana.
6. Attached and incorporated by reference herein as “**EXHIBIT 4A**” is a true and correct copy of an OIC record showing a summary of Mr. Lizana’s May 18, 2011 license application to OIC, and showing his “no” answers to all of the application’s questions. Attached and incorporated by reference herein as “**EXHIBIT 4B**” is a true and correct copy of a printout of the actual online application screen showing the questions Mr. Lizana answered. Attached and incorporated by reference herein as “**EXHIBIT 4C**” is a true and correct copy of the language in question number 2, the question at issue in this matter.

7. Attached and incorporated by reference herein as “**EXHIBIT 5**” is a true and correct copy of an OIC record showing information about Mr. Lizana’s license OIC learned on May 19, 2011.

8. Attached and incorporated by reference herein as “**EXHIBIT 6**” is a true and correct copy of Mr. Lizana’s June 10, 2011 e-mail to OIC Licensing & Education Program Manager Jeff Baughman.

9. Attached and incorporated by reference herein as “**EXHIBIT 7**” is a true and correct copy of Mr. Lizana’s hearing demand filed with OIC on January 26, 2012.

10. Attached and incorporated by reference herein as “**EXHIBIT 8**” are true and correct copies of the following OIC orders and actions in similar cases: (1) Charles Martin (12-0062); (2) Trevor D’ Jon Losse (11-0286); (3) Nicky Root (12-0048); (4) Alfon Butler (12-0030) (with hearing demand; case is pending); (5) Auturo Roberts (12-0028) (hearing has been demanded; case is pending); (6) HSBC Securities (11-0152); and (7) Timothy Shelnut (11-0182).

I declare under penalty of perjury under the laws of the State of Washington that the foregoing is true and correct.

EXECUTED this 22 day of March, 2012 at Tumwater, Washington.



Alan Michael Singer

ALAN MICHAEL SINGER DECLARATION

MARCH 22, 2012

DOCKET NO. 11-0284

EXHIBIT 1



DON SIEGELMAN
GOVERNOR

STATE OF ALABAMA
DEPARTMENT OF INSURANCE
201 MONROE STREET, SUITE 1700
POST OFFICE BOX 303351
MONTGOMERY, ALABAMA 36130-3351
TELEPHONE: (334) 269-3550
FACSIMILE: (334) 241-4192
INTERNET: www.aldoi.org

D. DAVID PARSONS
COMMISSIONER
CHIEF EXAMINER
RICHARD L. FORD
STATE FIRE MARSHAL
JOHN S. ROBISON
GENERAL COUNSEL
MICHAEL A. BOWNES

**CERTIFIED MAIL
RETURN RECEIPT REQUESTED**

IN THE MATTER OF:)
)
JOHN DIONIS LIZANA) CASE NO. CE-98-A063937TR
11838 S. HARRELLS FERRY RD STE 5)
BATON ROUGE, LA 70816)

**SETTLEMENT AGREEMENT
AND ORDER**

Now comes the Alabama Insurance Department (Department) and enters into this settlement agreement with John Dionis Lizana concerning violations of provisions of the Alabama Insurance Code as set forth in Sections 27-8A-1 through 27-8A-13, Code of Alabama, 1975.

FINDING OF FACTS

1. That at all times pertinent to the acts and practices alleged, Respondent was properly licensed to solicit and transact life and disability insurance business in the State of Alabama.
2. That on or about November 28, 1997, a License Renewal Notice was mailed to Respondent through the United States Postal Service.
3. That this license renewal was due to be returned to the Department received no later than December 28, 1997. The renewal form could be processed up to 30 days after December 28, 1997, by including a \$50.00 late fee.
4. That after the License Renewal Notice deadline of December 28, 1997, the Department mailed a Notice of Intent to Suspend Respondent's licensing privileges for failure to renew along with the second License Renewal Notice. This Notice of Intent to Suspend was also mailed to the Respondent's appointing insurance companies.

SETTLEMENT AGREEMENT AND ORDER
CASE NO. CE-97-A063937TR
PAGE 2

5. That the Notice of Intent to Suspend gave Respondent until February 22, 1998, to respond before the Department would issue an Order to Suspend Respondent's licensing privileges.

6. That all correspondence in this matter was mailed to the last known address of the Respondent.

7. That Respondent failed to renew, therefore, all licensing privileges were suspended as of the date of the Suspension Order.

WHEREFORE, in an effort to resolve this matter without further proceedings, the Department will lift Respondent's suspension and allow respondent to apply for a new license to solicit and transact insurance business in the State of Alabama upon satisfaction of the conditions as specified in subparagraph a.

a. Respondent must pay administrative fees of \$300.00 for reimbursement of cost, expenses and attorney fees involved with this Order.

b. That the Respondent's suspension will be lifted and he will be eligible to reapply for an appointment.

DONE and ORDERED this 25th day of May, 2000.

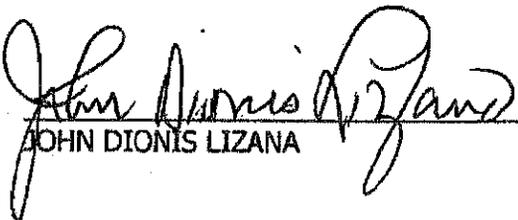


D. DAVID PARSONS
ACTING COMMISSIONER OF INSURANCE

DDP/TR/sif

SETTLEMENT AGREEMENT AND ORDER
CASE NO. CE-97-A063937TR
PAGE 3

**THIS SETTLEMENT AGREEMENT IS ACKNOWLEDGED, APPROVED AND
ACCEPTED BY:**



JOHN DIONIS LIZANA

5-22-01
DATE



TODD RUSSELL
ASSOCIATE COUNSEL
ALABAMA DEPARTMENT OF INSURANCE

5-24-01
DATE

ALAN MICHAEL SINGER DECLARATION

MARCH 22, 2012

DOCKET NO. 11-0284

EXHIBIT 2

P.O. BOX 87058
BATON ROUGE, LA 70877
PHONE: (225) 291-5211 / 800-256-8306
FAX: (225) 291-8773
E-MAIL: johnlizana@allstate.net

John D. Lizana

Insurance Agent

To: State of Alabama
Department of Insurance
From: John D. Lizana
Date: December 5, 2003
Re: 2003 Producer License Renewal Form

To whom it may concern:

On my 2003 Producer License Renewal Form I answered "No" to number three, "Have you ever had an insurance license denied, suspended or revoked by any insurance department or had a complaint issued against you by any insurance department?" I was unaware that my insurance license being canceled (due to non-renewal) was considered "suspended". Had I known this I would have answered "Yes" with my valid explanation.

I am very sorry for any inconvenience this may have caused. If you have any questions, please feel free to call me toll free @ 1-800-256-8306.

Sincerely,

John D. Lizana

JDL:sa

2/23/98 John Lizana did not renew his AL non-resident license. Therefore, his license was suspended. John was not aware of this suspension, he thought the license had lapsed. 2003 Producer License Renewal Form was submitted by John Lizana and question 3 was answered wrong. John was fined \$250. See attached Case No. P-2004-198 JD.

ALAN MICHAEL SINGER DECLARATION

MARCH 22, 2012

DOCKET NO. 11-0284

EXHIBIT 3



BOB RILEY
GOVERNOR

STATE OF ALABAMA
DEPARTMENT OF INSURANCE
201 MONROE STREET, SUITE 1700
POST OFFICE BOX 303351
MONTGOMERY, ALABAMA 36130-3351
TELEPHONE: (334) 269-3550
FACSIMILE: (334) 241-4192
INTERNET: www.aldoi.org

✓
AIMS

WALTER A. BELL
COMMISSIONER
DEPUTY COMMISSIONERS
D. DAVID PARSONS
JAMES R. (JOHNNY) JOHNSON
CHIEF EXAMINER
RICHARD L. FORD
STATE FIRE MARSHAL
JOHN S. ROBISON
GENERAL COUNSEL
MICHAEL A. BOWNES
RECEIVER
DENISE B. AZAR
LICENSING MANAGER
JIMMY W. GUNN

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

ALABAMA DEPARTMENT OF INSURANCE)

v.)

JOHN DIONIS LIZANA)
POST OFFICE BOX 87058)
BATON ROUGE, LOUISIANA 70879)

CASE NO. P-2004-198JD

**SETTLEMENT AGREEMENT
AND ORDER**

Now comes the Alabama Insurance Department (Department) and enters into this settlement agreement with John Dionis Lizana (Respondent) regarding matters discovered by the Department regarding violations of provisions of the Alabama Insurance Code, (Title 27, Code of Alabama 1975).

FINDING OF FACTS

1. That Respondent submitted a 2003 Producer License Renewal Form.
2. In response to question number 3, "Have you **EVER** had an insurance license denied, suspended or revoked by any insurance department or had a complaint issued against you by any insurance department?"; Respondent answered "No."
3. That under penalty of perjury, as set out in the Criminal chapter of the Code of Alabama 1975, Respondent swore and affirmed that all answers and responses to the questions and inquiries contained on the application were true and correct and complete answers. Further, that the responses on said application were being considered by the Commissioner of Insurance as material to the execution of his duties

under the Alabama Insurance Code on which to base his decision upon this application. Further, Respondent states he is familiar with the sections of the Alabama Insurance Code setting forth the qualifications for the license for which he was making application and that he was not withholding any information which would effect said qualifications.

4. That after an investigation by the Department in order to renew the Respondent's license, it was discovered that Respondent had in fact had his license suspended February 23, 1998, in this state for non-renewal.

FINDINGS OF LAW

5. The Respondent providing misinformation on a license application is a violation of Section 27-7-19(a)(2), Code of Alabama 1975.

Without conceding the violation as alleged above, but in the interest of bringing this matter to resolution without further proceedings, the Respondent agrees to the following:

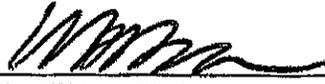
a. Respondent agrees to answer all questions contained in any future applications fully and truthfully.

b. For a period of one (1) year from the date of this Settlement Agreement and Order, should the Respondent violate any of its terms and provisions, the Department shall consider the Settlement Agreement to be null and void.

c. Respondent further agrees to reimburse the Department for the cost, expenses and attorney fees incurred by the Department in this matter in the amount of \$250.00 to be paid in full within thirty (30) days from the day of this Order.

Failure to pay the reimbursement in full within the specified time limit, or violation of any of the terms of this agreement, shall result in the immediate suspension of Respondent's license and eligibility of any licensure in this State without further proceedings.

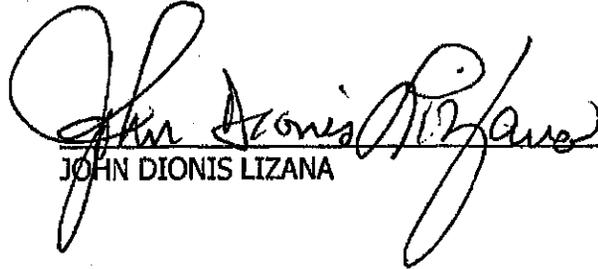
DONE and ORDERED this 16th day of March, 2003.



WALTER A. BELL
COMMISSIONER OF INSURANCE

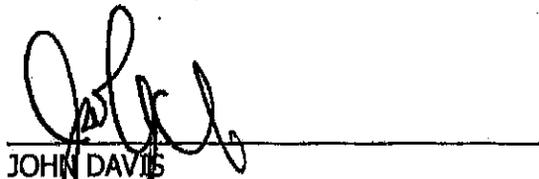
WAB/JJD/sf

**THIS SETTLEMENT AGREEMENT IS ACKNOWLEDGED, APPROVED AND
ACCEPTED BY:**



JOHN DIONIS LIZANA

3-5-04
DATE



JOHN DAVIS
ASSOCIATE COUNSEL
ALABAMA DEPARTMENT OF INSURANCE

3/5/04
DATE

ALAN MICHAEL SINGER DECLARATION

MARCH 22, 2012

DOCKET NO. 11-0284

EXHIBIT 4A

APPLICATION SUMMARY

- 3. I further certify that I grant permission to the Insurance Commissioner for which this application is made to verify information with any federal, state or local government agency, current or former employer, or insurance company.
- 4. I further certify that, under penalty of perjury, a) I have no child support obligation, b) I have a child support obligation and I am currently in compliance with that obligation, or c) I have identified my child support obligation arrearage on this application.
- 5. I authorize the jurisdictions to give any information concerning me, as permitted by law, to any federal, state or municipal agency, or any other organization and I release the jurisdictions and any person acting on their behalf from any and all liability of whatever nature by reason of furnishing such information.
- 6. I acknowledge that I understand and comply with the insurance laws and regulations of the jurisdictions to which I am applying for licensure/registration.
- 7. For Non-Resident License Applications, I certify that I am licensed and in good standing in my home state/resident state for the lines of authority requested from Washington State.
- 8. I hereby certify that upon request, I will furnish the jurisdiction(s) to which I am applying, certified copies of any documents attached to this application or requested by the jurisdiction(s).

Fee Description	Fee (in USD)
License Fee (Insurance Producer)	\$55.00
Filing Fee	\$5.00
Total Fee	\$60.00

ALAN MICHAEL SINGER DECLARATION

MARCH 22, 2012

DOCKET NO. 11-0284

EXHIBIT 4B

New Individual License Application



Previous | Next

Background Questions

Please read the following very carefully and answer every question. All written statements submitted must include a signature and title.

Q. Question

1. Have you ever been convicted of a crime, had a judgment withheld or deferred, or are you currently charged with committing a crime? Yes No

Note: "Crime" includes a misdemeanor, a felony or a military offense.

You may exclude misdemeanor traffic citations and misdemeanor convictions or pending misdemeanor charges involving driving under the influence (DUI) or driving while intoxicated (DWI), driving without a license, reckless driving, or driving with a suspended or revoked license and juvenile offenses.

"Convicted" includes, but is not limited to, having been found guilty by verdict of a judge or jury, having entered a plea of guilty or nolo contendere or no contest, or having been given probation, a suspended sentence, or a fine.

If you answer yes, you must attach to this application:

- a written statement explaining the circumstances of each incident,
- a copy of the charging document,
- a copy of the official document, which demonstrates the resolution of the charges or any final judgment.

If you have a felony conviction involving dishonesty or breach of trust, have you applied for written consent to engage in the business of insurance in your home state as required by 16 USC 1033? N/A Yes No

If so, was consent granted? (Attach copy of 1033 consent approved by home state.) N/A Yes No

2. Have you ever been named or involved as a party in an administrative proceeding including FINRA sanction or arbitration proceeding regarding any professional or occupational license or registration? Yes No

"Involved" means having a license censured, suspended, revoked, canceled, terminated; or, being assessed a fine, a cease and desist order, a prohibition order, a compliance order, placed on probation, sanctioned or surrendering a license to resolve an administrative action. "Involved" also means being named as a party to an administrative or arbitration proceeding, which is related to a professional or occupational license, or registration. "Involved" also means having a license, or registration application denied or the act of withdrawing an application to avoid a denial. INCLUDE Any business so named because of your actions, in your capacity as an owner, partner, officer, director, or member or manager of a Limited Liability Company.

You may EXCLUDE terminations due solely to non-compliance with continuing education requirements or failure to pay a renewal fee.

If you answer yes, you must attach to this application:

- a written statement identifying the type of license and explaining the circumstances of each incident,
- a copy of the Notice of Hearing or other document that states the charges and allegations, and
- a copy of the official document, which demonstrates the resolution of the charges or any final judgment.

3. Has any demand been made or judgment rendered against you or any business in which you are or were an owner, partner, officer or director, or member or manager of a limited liability company, for overdue monies by an insurer, insured or producer, or have you ever been subject to a bankruptcy proceeding? Do not include personal bankruptcies, unless they involve funds held on behalf of others. Yes No

If you answer yes, submit a statement summarizing the details of the indebtedness and arrangements for repayment, and/or type and location of bankruptcy.

4. Have you been notified by any jurisdiction to which you are applying of any delinquent tax obligation that is not the subject of a repayment agreement? Yes No

If you answer yes, identify the jurisdiction(s):

5. Are you currently a party to, or have you ever been found liable in, any lawsuit, arbitration or mediation proceeding involving allegations of fraud, misappropriation or conversion of funds, misrepresentation or breach of fiduciary duty? Yes No

If you answer yes, you must attach to this application:

- a written statement summarizing the details of each incident,
- a copy of the Petition, Complaint or other document that commenced the lawsuit or arbitration, or mediation proceedings, and
- a copy of the official document, which demonstrates the resolution of the charges or any final judgment.

6. Have you or any business in which you are or were an owner, partner, officer, director, or member or manager of a limited liability company, ever had an insurance agency contract or any other business relationship with an insurance company terminated for any alleged misconduct? Yes No

If you answer yes, you must attach to this application:

- a written statement summarizing the details of each incident and explaining why you feel this incident should not prevent you from receiving an insurance license, and
- copies of all relevant documents.

7. Do you have a child support obligation in arrears? Yes No

If you answer yes,

by how many months are you in arrears?

are you currently subject to and in compliance with any repayment agreement? Yes No

are you the subject of a child support related subpoena/warrant? Yes No

(If you answered yes, provide documentation showing proof of current payments or an approved repayment plan from the appropriate state child support agency.)

B. In response to a "yes" answer to one or more of the Background Questions for this application, are you submitting document(s) to the NAIC/NIPR Attachments Warehouse? N/A Yes No

If you answer yes,

Will you be associating (linking) previously filed documents from the NAIC/NIPR Attachments Warehouse to this application? Yes No

Note: For any "yes" answer to the Background questions, supporting documentation is required to be submitted. The National Insurance Producer Registry (NIPR) has an Attachments Warehouse where you as an applicant may upload and store these documents for a fee. All state regulators have access to the NAIC/NIPR Attachments Warehouse.

You will also have the opportunity to upload your supporting documentation directly to our office, free of charge, when you complete this online application. Documents provided directly to us are not accessible by other state regulators.

[Previous](#) | [Next](#)

SIMBA Online INTGR Version 18.1.0.2 Dated: January 31, 2012
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ALAN MICHAEL SINGER DECLARATION

MARCH 22, 2012

DOCKET NO. 11-0284

EXHIBIT 4C

2. Have you ever been named or involved as a party in an administrative proceeding, including FINRA sanction or arbitration proceeding regarding any professional or occupational license or registration?

Yes _____ No _____

"Involved" means having a license censured, suspended, revoked, canceled, terminated; or, being assessed a fine, a cease and desist order, a prohibition order, a compliance order, placed on probation, sanctioned or surrendering a license to resolve an administrative action. "Involved" also means being named as a party to an administrative or arbitration proceeding, which is related to a professional or occupational license, or registration. "Involved" also means having a license, or registration application denied or the act of withdrawing an application to avoid a denial. INCLUDE any business so named because of your actions, in your capacity as an owner, partner, officer or director, or member or manager of a Limited Liability Company. You may EXCLUDE terminations due solely to noncompliance with continuing education requirements or failure to pay a renewal fee.

ALAN MICHAEL SINGER DECLARATION

MARCH 22, 2012

DOCKET NO. 11-0284

EXHIBIT 5

Print

HOME STATE LICENSE

Licensee Detail						
Licensee Name		JOHN, LIZANA D	SSN		425-90-8790	Home State Louisiana
Individual Details						
Name	Name Type	Date of Birth	Gender			
LIZANA, JOHN DIONIS	Primary	1948-12-10	Unknown			
LIZANA, JOHN D	Alias	1948-12-10	Unknown			
LIZANA, JOHN DIONIS	Alias	1948-12-10	Unknown			
LIZANA, JOHN DIONIS	Alias	1948-12-10	Male			
LIZANA, JOHN DIONIS	Alias		Unknown			
License Details						
License Type	License Effective Date	Lines of Authority (Line Effective Date)				
Producer	1975-01-06	Accident & Health (1975-01-06) Life (1975-01-06) VARIABLE LIFE & VARIABLE ANNUITY PRODUCTS (1975-01-06)				
Regulatory Actions : 1.						
State	Ref. #	Eff. Date	Origin	Reason	Disposition	Description
AL	P-2004-198JD	03/16/2004	LEGAL	MISSTATEMENT ON APPLICATION	MISSTATEMENT ON APPLICATION	SETTLEMENT
Suspicious Activities						
No suspicious activities information found.						

ALAN MICHAEL SINGER DECLARATION

MARCH 22, 2012

DOCKET NO. 11-0284

EXHIBIT 6

Penn, Cheryl (OIC)

From: cbubble51@aol.com
Sent: Wednesday, June 15, 2011 11:50 AM
To: Baughman, Jeff (OIC)
Subject: Approval of license for John D. Lizana

Jeff;

I am still up here awaiting news of my approval to sell in your state. I have been in Idaho for the last couple of days but need to get into Washington to take care of a couple of groups. Please let me know as soon as possible whether or not my license will be granted.

Your prompt response will be greatly appreciated!

Thanks!

John D. Lizana

cbubble51@aol.com wrote:

> Jeff, I received your email, and I will be working in Sandpoint, Idaho today. I appreciate your help in this matter. Thanks.

> John D. Lizana

>

>

>

>

> -----Original Message-----

> From: Baughman, Jeff (OIC) (OIC) <JeffB@OIC.WA.GOV>

> To: cbubble51 <cbubble51@aol.com>

> Sent: Mon, Jun 13, 2011 6:18 pm

> Subject: RE: License renewal for John D. Lizana

>

>

>

> John;

>

> Just wanted to send a "heads up" that the review committee did not make a decision on issuing your license. Your scenario is a match for several others being placed before Legal (answering "no" to background question(s) when the answer should be "yes"). I will remind you that you may not sell, solicit, or negotiate insurance in this state until such time as your non-resident license application is issued.

>

> Thanks,

>

> Jeff Baughman

> Licensing & Education Program Manager

> Office of the Insurance Commissioner

> State of Washington

> (360) 725-7156

>

> From: cbubble51@aol.com [<mailto:cbubble51@aol.com>]

> Sent: Friday, June 10, 2011 2:34 PM

> To: Baughman, Jeff (OIC)

> Subject: License renewal for John D. Lizana

>

>

>

> Jeff;

>

> In 2004, I didn't renew my license in Alabama. I went to Alabama a year later and tried to renew my license and answered the question about having a suspended

license "no". The Alabama Insurance Commissioner said I should have answered "yes" to that question and he told me that I should have notified them that I was not renewing my license. I did not know that they suspended my license because of non-renewal, therefore, I answered that question "no". The State of Alabama fined me \$250 and, everytime I have had to contract with another state, I have had to send the documentation of what happened and I never had any trouble since then.

>

> A year ago, I contacted the Insurance Commissioner of Alabama to see if I needed to continue to answer that particular question "yes" and he told me that I did not have to, since the last part of that question does not pertain to the renewal of your license. So, for the last year, I have been answering that question "no", with no trouble. I applied to Washington State and Idaho and answered "no" to that question, as I was told by the Alabama Insurance Commissioner that I could. Idaho accepted my application with no trouble at all.

>

> I am planning on being in Washington this Tuesday and I would greatly appreciate it if I could get appointed in this state.

>

> I hope this e-mail answers all your questions and concerns.

>

> Thanks!

>

> John D. Lizana

>

>

ALAN MICHAEL SINGER DECLARATION

MARCH 22, 2012

DOCKET NO. 11-0284

EXHIBIT 7

Cairns, Kelly (OIC)

FILED

From: Stickler, Marcia (OIC)
Sent: Thursday, January 26, 2012 3:26 PM
To: Cairns, Kelly (OIC)
Subject: FW: In the Matter of John Lizana; Order No. 11-0284

2012 JAN 27 A 10:33

Hi, Kelly. Here is another producer hearing request. I'll bring down the proposed Consent Order wherein we fined him \$250. BTW, my file had his name in error as Lizano, when his name is actually Lizana. Thanks,
Eric J. O. Polimen
Chief Hearing Officer

From: J. Craig LeJeune [mailto:jclejeune@eatel.net]
Sent: Thursday, January 26, 2012 12:27 PM
To: Stickler, Marcia (OIC)
Subject: In the Matter of John Lizana; Order No. 11-0284

Dear Ms. Stickler,

Following up on our phone conversation of earlier today, please be advised that my client, John Lizana, would like to take advantage of his right to a hearing in the above captioned matter. Also, because we both live in Baton Rouge, Louisiana, we would respectfully request that Mr. Lizana be permitted to attend this hearing by phone if at all possible. My contact information is: J. Craig LeJeune, Attorney At Law, P.O. Box 88464, Baton Rouge, LA 70879; Phone: (225)677-5079; Fax: (225)677-7020; and, of course, my email address will appear herein. Thank you very much for your attention to this. I look forward to hearing from you. With sincere professional regards, I am, Very truly yours, J. Craig LeJeune



FILED

OFFICE OF
INSURANCE COMMISSIONER

2012 JAN 27 A 10:30

IN THE MATTER OF

JOHN D. LIZANO,

Respondent.

ORDER NO. 11-0284

CONSENT ORDER
LEVYING A FINE

Veronica L. Bric
Patricia D. Fritzen
Chief Licensing Officer

The Insurance Commissioner of the State of Washington, pursuant to the authority set forth in RCW 48.17.560, having reviewed the official records and files of the Office of the Insurance Commissioner ("OIC"), makes the following:

FINDINGS OF FACT:

1. John D. Lizano ("Lizano" or "the Licensee") applied for a nonresident life and disability insurance producer license with the OIC on May 18, 2011. Lizano's resident state is Louisiana and he has a nonresident producer license in Alabama. Lizano responded with a "no" answer to all of the background questions on the online application, including the one that asked "Have you ever been named or involved as a party in an administrative proceeding regarding any professional or occupational license or registration?"

2. In 2003, Lizano submitted a nonresident producer license renewal form to the Alabama DOI, wherein he answered "no" to the question "Have you ever had an insurance license denied, suspended, or revoked by any insurance department or had a complaint issued against you by any insurance department? Unbeknownst to Lizano, by law in Alabama, if a producer fails to renew a license, that license is technically suspended, rather than lapsed or expired. Lizano failed to renew his Alabama producer license and thus it was suspended on February 23, 1998. As a result of the false "no" answer on the 2003 application, Lizano signed a 2004 Settlement Agreement and Order with the State of Alabama. The settlement required that Lizano reimburse the State of Alabama \$250 for the cost, expenses, and attorney fees incurred by the State of Alabama.

CONCLUSIONS OF LAW:

1. By failing to accurately answer the question on the OIC application form regarding prior administrative actions, Lizano became subject to the Commissioner's right to refuse to issue a producer license under RCW 48.17.530(1)(a) for providing incorrect, misleading, incomplete, or materially untrue information in the license application.

2. RCW 48.17.560 states that after a hearing or upon stipulation by the licensee or insurance education provider, and in addition to or in lieu of suspension, revocation, or refusal to renew any such license or insurance education provider approval, the Commissioner may levy upon the licensee or insurance education provider a fine of not more than \$1,000 per violation of the insurance code.

CONSENT TO ORDER:

Lizano, 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 resolve this matter without further administrative or judicial proceedings. The Insurance Commissioner consents to settle the matter in consideration of Lizano's payment of a fine on such terms and conditions as are set forth below.

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

2. By agreement of the parties, the Insurance Commissioner will impose a fine of \$250.00 (Two Hundred Fifty Dollars) to be paid within thirty days of the entry of this Order.

3. Lizano understands and agrees that any future failure to comply with the statute that is the subject of this Order constitutes grounds for further penalties, which may be imposed in response to further violations.

4. Lizano's failure to timely pay this fine and to adhere to the conditions shall constitute grounds for revocation of his license as an insurance producer, and shall result in the recovery of the fine through a civil action brought on behalf of the Insurance Commissioner by the Attorney General of the State of Washington.

EXECUTED this _____ day of _____, 2012.

JOHN D. LIZANO

Signature: _____

ORDER

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

1. Lizano shall pay a fine in the amount of \$250.00 (Two Hundred Fifty Dollars) to be paid within thirty days of the entry of this Order.

2. Lizano's failure to pay the fine within the time limit set forth above shall result in the revocation of his license as an insurance producer and in the recovery of the fine through a civil action brought on behalf of the Insurance Commissioner by the Attorney General of the State of Washington.

ENTERED AT TUMWATER, WASHINGTON, this ____ day of _____, 2012.

MIKE KREIDLER
Insurance Commissioner

By

Marcia G. Stickler
Legal Affairs Division

ALAN MICHAEL SINGER DECLARATION

MARCH 22, 2012

DOCKET NO. 11-0284

EXHIBIT 8



OFFICE OF
INSURANCE COMMISSIONER

<i>In the Matter of</i>)	No. 12-0062
CHARLES CECIL MARTIN,)	ORDER REVOKING LICENSE
<i>Licensee.</i>)	

To: Charles Cecil Martin
P O Box 1077
Bowling Green KY 42102-1077

IT IS ORDERED AND YOU ARE HEREBY NOTIFIED that your license is REVOKED, effective March 21, 2012, pursuant to RCW 48.17.530 and 48.17.540(2).

THIS ORDER IS BASED ON THE FOLLOWING GROUNDS:

On December 21, 2011, you were sent a warning letter due to your failure to report an administrative action taken against you in the State of Kentucky. On January 26, 2012, you were sent a certified letter informing you that you were in violation of two Washington statutes: RCW 48.17.597 (1), failure to report an administrative action; and RCW 48.17.475, failure to respond. The certified letter was delivered to your address by the post office on January 31, 2012. As previously mentioned, your failure to report the administrative action and your continued failure to respond to our letters makes you in violation of RCW 48.17.597 and RCW 48.17.475.

IT IS FURTHER ORDERED that you return your insurance producer's license certificate to the Commissioner on or before the effective date of the revocation of your license, as required by RCW 48.17.530(4).

NOTICE CONCERNING YOUR RIGHT TO A HEARING. Please note that a detailed summary of your right to contest this Order is attached. Briefly, if you are aggrieved by this Order, RCW 48.04.010 permits you to demand a hearing. Pursuant to that statute and others: You must demand a hearing, in writing, within 90 days after the date of this Order, which is the day it was mailed to you, or you will waive your right to a hearing. Your demand for a hearing must specify briefly the reasons why you think this Order should be changed. If your demand for a hearing is received by the Commissioner before the effective date of the revocation, then the revocation will be stayed (postponed) pending the hearing, pursuant to RCW 48.04.020. Upon



OFFICE OF INSURANCE COMMISSIONER
ORDER REVOKING LICENSE
No. 12-0062
Page 2

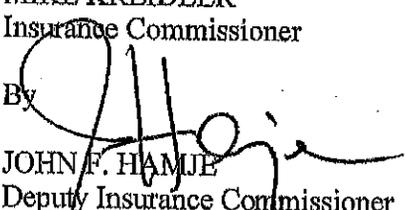
revocation will be stayed (postponed) pending the hearing, pursuant to RCW 48.04.020. Upon receipt of your demand for hearing, you will be contacted by an assistant of the Chief Hearing Officer to schedule a teleconference with you and the Insurance Commissioner's Office to discuss the hearing and the procedures to be followed.

Please send any demand for hearing to the Insurance Commissioner, to the attention of Patricia Petersen, Chief Hearing Officer, Hearings Unit, Office of Insurance Commissioner, P.O. Box 40255, Olympia, WA 98504-0255.

ENTERED AT TUMWATER, WASHINGTON, this 1st day of March, 2012.

MIKE KREIDLER
Insurance Commissioner

By


JOHN F. HAMJE
Deputy Insurance Commissioner
Consumer Protection Division

Program Analyst: Joe Mendoza

DECLARATION OF MAILING

I certify under penalty of perjury under the laws of the State of Washington that on the date listed below, I mailed or caused delivery of a true copy of this document to *Charles Cecil Martin*.

Dated: *March 1, 2012*
At Tumwater, Washington


Kathy J. Marshall

NOTICE OF YOUR RIGHT TO A HEARING

You have the right to demand a hearing to contest this Order. During this hearing, you can present your argument that the Order should not have been entered for legal and/or factual reasons and/or to explain the circumstances surrounding the activities which are the subject of this Order. You may be represented by an attorney if you wish, although in some hearings before this agency parties do choose to represent themselves without an attorney.

Your demand for hearing should be sent to Office of the Insurance Commissioner, Attention: Patricia D. Petersen, Chief Hearing Officer, Hearings Unit, P.O. Box 40255, Olympia, WA 98504-0255, and must briefly state how you are harmed by this Order and why you disagree with it. You will then be notified both by telephone and in writing of the time and place of your hearing. If you have questions concerning filing a Demand for Hearing or the hearing process, please telephone the Hearings Unit, Office of the Insurance Commissioner, at 360/725-7002.

Your Demand for Hearing must be made within 90 days after the date of this Order, which is the date of mailing, or your Demand will be invalid and this Order will stand. If your Demand for Hearing is received before the effective date of this Order, the penalties contained in the Order will be stayed (postponed) until after your hearing.

It is important to know that if you demand a hearing, you will have two options for how it will be handled:

Option 1: Unless you specifically request Option 2, your hearing will be presided over by an administrative law judge from the Office of the Insurance Commissioner. Under this option, upon receipt of your Demand for Hearing, the Insurance Commissioner may refer the case to an administrative law judge. The administrative law judge is an individual who has not had any involvement with this case. The administrative law judge will hear and make the final decision in the case without any communication, input or review by the Insurance Commissioner or staff or any other individual who has knowledge of the case. This administrative law judge's final decision may uphold or reverse the Commissioner's action or may instead impose any penalties which are less than those contained in the Order.

Option 2: If you elect, your hearing will be presided over by an administrative law judge from the Office of Administrative Hearings. That administrative law judge will issue an initial or recommended decision which will then be sent to the Insurance Commissioner. The Insurance Commissioner, or his designee, will review the initial decision and make the final decision. The Insurance Commissioner's final decision in the case may uphold, reverse or modify the initial decision, thereby changing the penalty which is recommended in the initial decision. In writing the final decision, the Insurance Commissioner is not bound by the findings of facts or conclusions of law which were made in the initial decision.



OFFICE OF
INSURANCE COMMISSIONER

IN THE MATTER OF

TREVOR D'JON LOSSE, a/k/a TREVOR
D'JON

Licensee.

ORDER NO. 11-0286

CONSENT ORDER IMPOSING FINE AND
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. Trevor D'Jon Losse holds Washington resident insurance producer license WAOIC No. 246758.
2. In 2010, Mr. Losse solicited insurance on at least five occasions for an insurer for which he had not been appointed. He solicited this insurance without any bond, included another insurance producer's name on the applications rather than his own legal name. Mr. Losse solicited this insurance using the name "Trevor D'Jon," instead of using the name on his license, Trevor Losse, because several potential customers had "googled" Mr. Losse and saw state department actions against him. On one occasion, without the consumer's authorization, he signed the consumer's name electronically, included inaccurate information in the application and submitted the application electronically. This consumer later complained to the insurer.
3. In his 2005 application for a license to OIC, Mr. Losse disclosed that he pled guilty some years earlier to two Washington state criminal counts of unlawful issuance of bank checks, gross misdemeanors. OIC granted Mr. Losse a license. When he later applied for nonresident licenses elsewhere, he failed to make the same disclosures. This led to more than 12 other state administrative proceedings, including two states denying him an insurance producer's license, 7 states revoking his insurance producer's license, and three other states fining him. When Mr. Losse applied to OIC to renew his license in 2009, he

indicated that "several states revoked my license due to a criminal incidence in 2001 for writing a bad check the details of which were disclosed" in his initial license application. Mr. Losse failed to timely respond to numerous OIC letters asking for more information about this, one of which was returned to OIC by the Post Office indicating a forwarding order had expired. Several months after the first such OIC letter Mr. Losse eventually did provide OIC with an explanation.

CONCLUSIONS OF LAW:

1. By failing to notify OIC of changes of address within thirty (30) days, Mr. Losse violated RCW 48.17.170(12) and WAC 284-17-005(2).
2. By failing to promptly reply to letters from OIC seeking a prompt response, Mr. Losse committed a number of violations of RCW 48.17.475.
3. By soliciting insurance for an insurer that terminated his appointment while intentionally concealing his legal name, and inaccurately denying to OIC that he had solicited insurance and signed applications electronically, Mr. Losse violated RCW 48.17.530(1)(h) and RCW 48.17.180.
4. By including inaccurate information on at least one consumer's insurance application, and by knowingly misstating on insurance applications that a different insurance producer was the agent who solicited the insurance, Mr. Losse committed at least six (6) violations of RCW 48.17.530(1)(e) and RCW 48.30.210.
5. By soliciting insurance in a state where he no longer had a license, Mr. Losse violated RCW 48.17.060, RCW 48.17.160(1) and WAC 284-17-467.
6. By failing to properly disclose the more than 12 state actions against him, Mr. Losse committed at least 12 violations of RCW 48.17.597.
7. Under RCW 48.17.530(1), 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 the aforementioned violations of the Insurance Code. Under RCW 48.17.560, after a hearing or upon stipulation by the licensee, and in addition to or in lieu of the aforementioned actions, the Commissioner may levy a fine upon the licensee of not more than \$1,000 per violation of the insurance code.

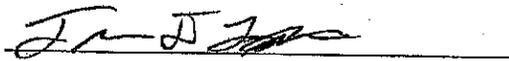
CONSENT TO ORDER:

Trevor D. Losse, 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 remain 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. Trevor D. Losse 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 allow Mr. Losse to retain his license, and will place Mr. Losse on probation for a period of five (5) years commencing the date this Order is entered, on the conditions that:
 - a. Mr. Losse commits no further violations of the Insurance Code and has no administrative or disciplinary actions or criminal violations other than misdemeanor traffic violations for a period of five (5) years commencing the date this Order is entered.
 - b. By agreement of the parties, the Insurance Commissioner will impose a fine of One Thousand Dollars (\$1,000), to be paid by Mr. Losse within thirty (30) days from the date this Order is entered.
 - c. Mr. Losse's license will be a probationary insurance producer's license under RCW 48.17.530 for the period of five (5) years commencing the date this Order is entered.
 - d. Mr. Losse understands and agrees that any failure to pay the above fine within thirty (30) days from the date this Order is entered shall result in the recovery of the fine through a civil action brought on behalf of the Insurance Commissioner by the Attorney General of the State of Washington.

EXECUTED this 24th day of January, 2012.

TREVOR D. LOSSE



ORDER

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

1. Trevor D. Losse shall comply with the conditions set forth above.
2. Upon receipt by OIC of this signed Consent Order, Mr. Losse shall be placed on probation subject to all conditions and terms of this Order.

3. Mr. Losse shall comply with and carry out all applicable provisions of the Insurance Code and all laws of all states in which he does business, and he will also comply with all criminal laws.

4. Mr. Losse shall pay a fine in the amount of \$1,000.00 (One Thousand Dollars) within thirty days from the date this Order is entered. A failure by Mr. Losse to pay the fine within the time limit set forth above shall result in the revocation of his license and also in the recovery of the fine through a civil action brought on behalf of the Insurance Commissioner by the Attorney General of the State of Washington.

ENTERED AT TUMWATER, WASHINGTON, this 30th day of January, 2012.

MIKE KREIDLER
Insurance Commissioner

By



Alan Michael Singer
OIC Staff Attorney
Legal Affairs Division



OFFICE OF
INSURANCE COMMISSIONER

In The Matter of

Nicky J. Root,

Licensee.

ORDER NO. 12-0048
NPN 3309738
WAOIC 754732

ORDER REVOKING LICENSE

To: Nicky J. Root
c/o Connexions
200 Patrol Road
Jeffersonville, Indiana 47130-7748

IT IS ORDERED AND YOU ARE HEREBY NOTIFIED that your Washington State insurance producer license is **REVOKED**, effective March 13, 2012, pursuant to RCW 48.17.530 and RCW 48.17.540(2).

THIS ORDER IS BASED ON THE FOLLOWING:

1. Nicky J. Root holds a Washington non-resident insurance producer's license, WAOIC #754732, issued November 25, 2009.
2. On June 14, 2011 Nicky J. Root renewed his non-resident Washington insurance producer's license on-line and represented that he had not been named or involved as a party in an administrative proceeding regarding any professional or occupational license which had not previously been reported to the State of Washington. The Office of the Insurance Commissioner was notified in July 2011 through the NAIC that Mr. Root's insurance producer license in the state of Louisiana had been revoked on September 10, 2010 for failure to report on a quarterly basis child support arrearages, as required by the Louisiana insurance commissioner's office. Mr. Root further failed to report that as a result of the revocation in Louisiana that his insurance producer license in Virginia was revoked on March 25, 2011 and that his South Dakota license was revoked on May 3, 2011.
3. On January 17, 2012 the Office of the Insurance Commissioner sent an e-mail and a letter to Nicky J. Root asking for information within 15 days concerning the administrative actions taken in the other states. No response was received.
4. By failing to report the existence of the administrative actions taken against him in other jurisdictions to the Insurance Commissioner within 30 days of said action being taken, Nicky J. Root violated RCW 48.17.597.

5. By failing to respond to inquiries from the Commissioner within 15 days, Nicky Root violated RCW 48.17.475.

6. Pursuant to RCW 48.17.530, the Commissioner may revoke the license of any insurance producer for providing incorrect, misleading, incomplete, or materially untrue information in the license application [RCW 48.17.530(1)(a)]; violating any insurance laws [RCW 48.17.530(1)(b)]; obtaining or attempting to obtain a license through misrepresentation or fraud [RCW 48.17.530(1)(c)]; or for having an insurance producer license, or its equivalent, denied, suspended, or revoked in any other state, province, district, or territory. [RCW 48.17.530(1)(i)].

IT IS FURTHER ORDERED that you return your insurance producer license certificate to the Commissioner on or before the effective date of the revocation of your license, as required by RCW 48.17.530(4). Return your license to: Licensing Manager, Office of the Insurance Commissioner, P O Box 40257, Olympia, WA 98504-0257.

ENTERED AT TUMWATER, WASHINGTON, this 24th day of February, 2012.

MIKE KREIDLER
Insurance Commissioner

By 
Robin E. Aronson
OIC Staff Attorney

NOTICE OF YOUR RIGHT TO A HEARING

If you are aggrieved by this Order, RCW 48.04.010 permits you to demand a hearing. Pursuant to that statute and others: You must demand a hearing, in writing, within 90 days after the date of this Order, which is the day it was mailed to you, or you will waive your right to a hearing. Your demand for a hearing must specify the reasons why you think this Order should be changed. Upon receipt of your demand for hearing, you will be contacted by an assistant of the Chief Hearing Officer to schedule a teleconference with you and the Insurance Commissioner's Office to discuss the hearing and the procedures to be followed.

Please send any demand for hearing to:

Office of the Insurance Commissioner
Attention Patricia D. Petersen, Chief Hearing Officer
Hearings Unit
P.O. Box 40255
Olympia, WA 98504-0255

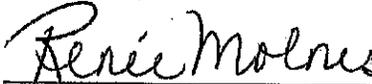
CERTIFICATE OF MAILING

The undersigned certifies under the penalty of perjury under the laws of the State of Washington that I am now and at all times herein mentioned, a citizen of the United States, a resident of the State of Washington, over the age of eighteen years, not a party to or interested in the above-entitled action, and competent to be a witness herein.

On the date given below I caused to be served the foregoing ORDER REVOKING LICENSE on the following individuals via US Mail.

Nicky J. Root
c/o Connexions
200 Patrol Road
Jeffersonville, Indiana 47130-7748

SIGNED this 24th day of February, 2012, at Tumwater, Washington.



Renee Molnes



OFFICE OF
INSURANCE COMMISSIONER

In The Matter of

Alton Butler,

Licensee.

ORDER NO. 12-0030
NPN 11568494
WAOIC 731408

ORDER REVOKING LICENSE

To: Alton Butler
2860 Christianson Avenue
Enumclaw, WA 98022

IT IS ORDERED AND YOU ARE HEREBY NOTIFIED that your Washington State insurance producer license is **REVOKED**, effective February 25, 2012, pursuant to RCW 48.17.530, 48.30.210, and RCW 48.17.540(2).

THIS ORDER IS BASED ON THE FOLLOWING:

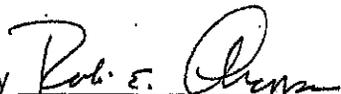
1. Alton Butler holds a Washington resident insurance producer's license, WAOIC # 731408, issued September 5, 2008.
2. On August 25, 2008, Alton Butler submitted an application for a resident producer license to the Office of the Insurance Commissioner. Question #2 on the application asked the applicant to disclose whether he or she has ever been involved in any administrative proceeding regarding any professional or occupational license. Mr. Butler answered "no" to this question. Mr. Butler failed to disclose that his Washington State registered nurse license was revoked by the Washington State Department of Health Nursing Care Quality Assurance Commission on July 31, 2008, with no right to seek reinstatement for at least 20 years.
3. By failing to report the existence of the administrative action to the Insurance Commissioner, Alton Butler violated RCW 48.17.597.
4. By failing to disclose that he had been involved in an administrative proceeding involving a professional or occupational license and that said administrative proceeding resulted in the revocation of his Washington State registered nurse license, Alton Butler violated RCW 48.17.090, which requires an individual applying for a resident producer license to declare under penalty of refusal, suspension, or revocation of the license that the statements made in the application are true, correct, and complete to the best of the individual's knowledge and belief.

5. Pursuant to RCW 48.17.530, the Commissioner may revoke the license of any insurance producer for providing incorrect, misleading, incomplete, or materially untrue information in the license application [RCW 48.17.530(1)(a)]; violating any insurance laws [RCW 48.17.530(1)(b)]; obtaining or attempting to obtain a license through misrepresentation or fraud [RCW 48.17.530(1)(c)]; or for using fraudulent, coercive, or dishonest practices, or demonstrating incompetence, untrustworthiness, or financial irresponsibility [RCW 48.17.530(1)(h)].

IT IS FURTHER ORDERED that you return your insurance producer license certificate to the Commissioner on or before the effective date of the revocation of your license, as required by RCW 48.17.530(4). Return your license to: Licensing Manager, Office of the Insurance Commissioner, P O Box 40257, Olympia, WA 98504-0257.

ENTERED AT TUMWATER, WASHINGTON, this 7th day of February, 2012.

MIKE KREIDLER
Insurance Commissioner

By 
Robin E. Aronson
OIC Staff Attorney

NOTICE OF YOUR RIGHT TO A HEARING

If you are aggrieved by this Order, RCW 48.04.010 permits you to demand a hearing. Pursuant to that statute and others: You must demand a hearing, in writing, within 90 days after the date of this Order, which is the day it was mailed to you, or you will waive your right to a hearing. Your demand for a hearing must specify the reasons why you think this Order should be changed. Upon receipt of your demand for hearing, you will be contacted by an assistant of the Chief Hearing Officer to schedule a teleconference with you and the Insurance Commissioner's Office to discuss the hearing and the procedures to be followed.

Please send any demand for hearing to:

Office of the Insurance Commissioner
Attention Patricia D. Petersen, Chief Hearing Officer
Hearings Unit
P.O. Box 40255
Olympia, WA 98504-0255

CERTIFICATE OF MAILING

The undersigned certifies under the penalty of perjury under the laws of the State of Washington that I am now and at all times herein mentioned, a citizen of the United States, a resident of the State of Washington, over the age of eighteen years, not a party to or interested in the above-entitled action, and competent to be a witness herein.

On the date given below I caused to be served the foregoing ORDER REVOKING LICENSE on the following individuals via US Mail.

Alton Butler
2860 Christianson Avenue
Enumclaw, WA 98022

SIGNED this 7th day of February, 2012, at Tumwater, Washington.



Renee Molnes

February 16, 2012

FILED

To:
Office of the Insurance Commissioner
Attention: Patricia D. Petersen, Chief Hearing Officer
Hearings Unit
P.O. box 40255
Olympia, WA 98504-0255

2012 FEB 21 A 9:45

Hearings Unit, OIC
Patricia D. Petersen
Chief Hearing Officer

From:
Alton B. Butler
2860 Christianson Ave
Enumclaw, WA 98022

To whom it may concern:

I am appealing the revocation of my Insurance Producers License per Order No. 12-0030, NPN 11568494, WAOIC 731408.

The reason for my appeal is that my license was revoked for intentionally failing to disclose the revocation of my WA registered nurse license. I did not fail to disclose that information in an effort to mislead or to provide materially untrue information. As can be seen on the original application I had marked this answer Yes. At that point my immediate supervisors for Family Heritage Life Insurance Company of America, the company I was applying to work for at the time, suggested calling the Licensing Department for Family Heritage and asking for a clarification on if I needed to answer that question that way. The response from them was no. They said that that question was only related to licenses that dealt with handling money and financial services. They told me that that question did not apply to my case and I should answer it NO. To the best of my knowledge they would know what they were talking about so I accepted their advice and changed the answer. If I had been trying to hide this I would have used a new application so that my original answer would not show. It had been my intention to disclose that information and was only on the advice of people I thought I could trust to give me correct information that it was changed.

My immediate supervisors at that time were: Chad Beuhler hm: 425-486-5797 cell: 206-227-0610 and Jerry Morales cell: 206-683-4227. I do not know if the numbers are still good for them as I have not had any contact with them for about 3 years.

I would also like to note that the reason the Nursing Commission used to revoke my nursing license were allegations only. I was never arrested, charged, tried or convicted on any of the allegations. My attorney at that time advised me to allow the revocation of the license to protect my civil rights should any charges be filed.

Thank you,



Alton B. Butler



OFFICE OF
INSURANCE COMMISSIONER

FILED

2012 FEB 27 P 1:35
Mar 2

Hearing Room, ETC
Patricia D. Fitzgerald
Chief Hearing Officer

In Re the Matter of

AUTURO ROBERTS,

Respondent

NO. 12-0028

NOTICE OF HEARING

TO: Auturo Roberts
13830 Castlegate Drive
Frisco, Texas 75035

The Honorable Mike Kreidler, Insurance Commissioner of the State of Washington, proposes disciplinary action against you and hereby issues this Notice of Hearing. The Insurance Commissioner submits the following as the basis of this Notice of Hearing in accordance with RCW 48.04.010.

1. PARTIES AND JURISDICTION

1.1 Pursuant to the Insurance Code, Title 48 RCW, the Insurance Commissioner is authorized to regulate the business of insurance and enforce the insurance laws of Washington State in order to protect the public interest.

1.2 Auturo Roberts is licensed as a nonresident independent adjuster and, therefore, is subject to Title 48 RCW and Chapter 284 WAC.

1.3 Jurisdiction and venue are appropriate under, among other provisions, RCW 48.02.060, RCW 48.17.560, and RCW 48.04.010.



2. FACTS

2.1 On April 29, 2011, the Commissioner received a nonresident adjuster license application for Mr. Roberts. The application was completed online by another person at his place of employment. The application question "[h]ave you ever been convicted of a crime, had a judgment withheld or deferred, or are you currently charged with committing a crime?" was answered "no." A license was issued that same day.

2.2 A few weeks later, the Commissioner obtained a criminal record check for Mr. Roberts. It showed a 20-year old criminal conviction. In 1991, as part of a fraternity initiation at a Kansas university, Mr. Roberts and a friend went to an auto dealer under the pretense of buying a car, test drove it, and failed to promptly return it, resulting in a misdemeanor joy-riding conviction. The person who answered the aforementioned application question, completed the application, and provided it to the Commissioner was unaware of the matter.

3. APPLICABLE LAW AND ALLEGED VIOLATIONS

3.1 By providing incorrect, misleading, incomplete, or materially untrue information in his license application, Mr. Roberts violated of RCW 48.17.530(1)(a).

3.2 RCW 48.17.530(1)(b) provides that the Commissioner may suspend, revoke, or refuse to renew the license of an adjuster for violating any insurance laws.

3.3 RCW 48.17.560 provides that after a hearing or upon stipulation by the licensee, and in addition to or in lieu of suspension, revocation, or refusal to renew any such license, the Commissioner may levy a fine upon the licensee of not more than \$1,000 per violation of the insurance code.

4. SANCTIONS REQUESTED

Pursuant to RCW 48.17.560, the Commissioner seeks imposition of a fine against Mr.

Roberts in an amount to be determined at hearing.

Notice of Hearing

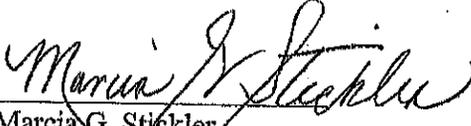
Page 2 of 4

5. NOTICE OF HEARING

The Commissioner will convene a hearing at a date, location, and time to be determined, to consider the allegations above and the sanctions to be imposed upon Mr. Roberts pursuant to RCW 48.04.010 and RCW 48.17.560. At the hearing, the Commissioner will present evidence showing that Mr. Roberts violated a statute effectuated by the Commissioner pursuant to his authority under RCW 48.02.060, and that the sanction requested above is authorized under the law. Mr. Roberts may cross-examine the Commissioner's witnesses and present any defenses, evidence, or arguments it may have in opposition.

Dated this 2nd day of March, 2012.

MIKE KREIDLER
Insurance Commissioner

By: 
Marcia G. Stickler
Staff Attorney
Legal Affairs Division

CERTIFICATE OF SERVICE

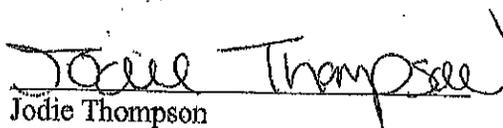
The undersigned certifies under the penalty of perjury under the laws of the State of Washington that I am now and at all times herein mentioned, a citizen of the United States, a resident of the State of Washington, over the age of eighteen years, not a party to or interested in the above-entitled action, and competent to be a witness herein.

On the date given below I caused to be served the foregoing NOTICE OF HEARING on the following individuals in the manner indicated:

Auturo Roberts
13830 Castlegate Drive
Frisco, Texas 75035
(XXX) Via U.S. Mail

Patricia Peterson, J.D., Chief Hearing Officer
Washington State Insurance Commissioner
5000 Capitol Blvd
Tumwater, WA 98501
(XXX) Via Hand Delivery

SIGNED this 2nd day of March, 2012, at Tumwater, Washington.


Jodie Thompson



OFFICE OF
INSURANCE COMMISSIONER

IN THE MATTER OF

HSBC SECURITIES (USA) INC.,

Authorized Insurer.

ORDER NO. 11-0152

CONSENT ORDER LEVYING A FINE

The Insurance Commissioner of the State of Washington, pursuant to the authority set forth in RCW 48.02.080, 48.17.530, and 48.17.560, and having reviewed the official records and files of the Office of the Insurance Commissioner ("OIC"), makes the following:

FINDINGS OF FACT:

1. HSBC Securities (USA) Inc. ("HSBC" or "the Company") is a nonresident insurance producer licensed in the State of Washington.
2. HSBC applied for a renewal of its producer's license in March, 2011. In its renewal application, HSBC disclosed that it had been the subject of 5 FINRA violations and FINRA-reportable actions. FINRA is the Financial Industry Regulatory Authority. It is an independent regulator for securities firms doing business in the U.S.
3. Upon reviewing the reported violations, OIC's Producer Licensing division became concerned about the types of violations and the severity of the fines for these violations. Upon looking into the matter, OIC first learned that the CRD number that had been given by HSBC was invalid. (A CRD number is a securities license number.) OIC then searched HSBC's securities licensure by company name and found 28 past FINRA violations and FINRA-reportable violations, in addition to the 5 violations the Company had just reported.
4. Twenty Eight of these violations that had been found against HSBC had not been reported on the Company's initial application for licensure.
5. Five violations had occurred after RCW 48.17.597 became effective, requiring producers to report to OIC within 30 days any administrative action taken against them. The Company had not reported those 5 violations within 30 days.
6. The Company had provided an incorrect CRD number in its application.

CONCLUSIONS OF LAW:

1. By failing to report 5 administrative actions taken against it by FINRA within 30 days, HSBC violated RCW 48.17.597(1).



2. The Company violated RCW 48.17.530(1) by:

- representing in its first application that it had not been named in any administrative actions, when in fact it had been named in 28 FINRA violations and FINRA-reportable actions (and, in fact, had disciplinary action taken against it), and
- Providing an incorrect CRD number to the OIC with the application.

CONSENT TO ORDER:

HSBC, acknowledging its duty to comply fully with the applicable laws of the State of Washington, consents to the following in consideration of its desire to resolve this matter without further administrative or judicial proceedings. The Insurance Commissioner consents to settle the matter in consideration of the Company's payment of a fine and upon such terms and conditions as are set forth below.

1. HSBC 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 impose a fine of \$7,000, on the conditions that:

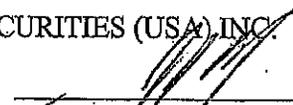
a. Within thirty days of the entry of this Order, HSBC pays \$7,000.

b. HSBC understands and agrees that any future failure to comply with the statutes and regulations that are the subject of this Order constitutes grounds for further penalties that may be imposed in direct response to such further violation.

3. HSBC's failure to timely pay this fine and to adhere to the conditions shall constitute grounds for revocation of the Company's Nonresident Insurance Producer's License, and shall result in the recovery of the fine through a civil action brought on behalf of the Insurance Commissioner by the Attorney General of the State of Washington.

EXECUTED this 27 day of July, 2011.

HSBC SECURITIES (USA) INC.

By: 

Printed Name: JEFFREY KRAEBEL

Typed Corporate Title: SVP, Chief Administration Officer

ORDER:

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

1. HSBC Securities (USA) Inc. shall pay a fine in the amount of \$7,000 and fully comply with the laws and regulations of the State of Washington which are the subject of this Order; and

2. The Company's failure to pay the fine within the time limit set forth above shall result in the revocation of the Company's Certificate of Authority through a civil action brought on behalf of the Insurance Commissioner by the Attorney General of the State of Washington.

ENTERED AT TUMWATER, WASHINGTON, this 1st day of August, 2011.

MIKE KREIDLER
Insurance Commissioner

By Andrea L. Philhower
Andrea L. Philhower
OIC Staff Attorney
Legal Affairs Division

MIKE KREIDLER
STATE INSURANCE COMMISSIONER

STATE OF WASHINGTON

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



OFFICE OF
INSURANCE COMMISSIONER

In The Matter of

JAMES TIMOTHY SHELNUT

Licensee.

NO. 11-0182
NPN 307361
WAOIC 258805

ORDER REVOKING LICENSE

To: James T. Shelnut
PO Box 211688
Augusta, GA 30917

IT IS ORDERED AND YOU ARE HEREBY NOTIFIED that your Washington State insurance producer license is **REVOKED**, effective August 29, 2011, pursuant to RCW 48.17.530 and RCW 48.17.540(2).

THIS ORDER IS BASED ON THE FOLLOWING:

James T. Shelnut ("Shelnut" or "the Licensee") has been licensed as a non-resident producer of life and disability insurance on and off since April 28, 2005. On December 29, 2009, Shelnut let his license expire. He applied for reinstatement on June 29, 2010. Shelnut responded with a "no" answer to all of the background questions on the online application, and his license was reinstated effective June 29, 2010. Since 2005, Shelnut has not reported any out-of-state actions to the Washington State Office of Insurance Commissioner ("the OIC").

In reality, however, Shelnut has been involved in six administrative actions, including revocation of his Massachusetts producer license in April 2011. The Massachusetts revocation was based on a number of sanctions and administrative actions that occurred previously and yet went unreported by Shelnut to the Commonwealth, to wit:

- On March 7, 2006, Shelnut was fined \$500 by the OIC for failing to respond to inquiries regarding his fingerprint card. After the OIC threatened Shelnut with a revocation, he eventually provided the fingerprint card and agreed to the fine.
- In late 2006, Alabama and New York fined Shelnut \$250 and \$500, respectively, for his failure to report the Washington OIC action. In the Alabama case, Shelnut answered "no" on a non-resident producer application form question that asked about other administrative actions taken against his license.

ORDER REVOKING LICENSE

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- On April 30, 2008, Shelnut entered into a Consent Order with the Georgia State Ethics Commission in which he admitted violations of that state's Ethics in Government Act and agreed to pay a fine of \$40,000. Shelnut had funneled campaign contributions exceeding state-imposed limits through cronies and family members. As a result of the settlement with the Ethics Commission, the Georgia Department of Insurance placed Shelnut's producer license on probation for twelve months in November 2008.
- On February 25, 2009, Shelnut applied for a producer license in Colorado. On April 6, 2009, before a license was issued, the Colorado Division of Insurance notified Shelnut that he had failed to disclose actions taken in regard to his insurance license in Washington, Alabama, and New York, and that as a result, his application would be denied. Colorado agreed to let Shelnut withdraw his application on April 10, 2009 and reported the withdrawal to the NAIC.
- On or about January 14, 2010, Shelnut submitted an online application to the Commonwealth of Massachusetts to renew his non-resident producer license, which was originally issued in 1999. He again answered "no" to whether he had been involved in any out-of-state actions against his license. Massachusetts revoked Shelnut's license on April 22, 2011. Shelnut did not report the revocation to the OIC, as required within 30 days of the date the action becomes final.

Applicable Law:

RCW 48.17.530 allows the Commissioner to place on probation, suspend, or revoke a license under the following pertinent situations:

- (a) Providing incorrect, misleading, incomplete, or materially untrue information in the license application;
- (b) Violating any insurance laws, or violating any rule, subpoena, or order of the commissioner or of another state's insurance commissioner;
- (c) Obtaining or attempting to obtain a license through misrepresentation or fraud;
- (h) Using fraudulent, coercive, or dishonest practices, or demonstrating incompetence, untrustworthiness, or financial irresponsibility in this state or elsewhere; and
- (i) Having an insurance producer license, or its equivalent, denied, suspended, or revoked in any other state, province, district, or territory.

RCW 48.17.560 allows the Commissioner to impose a fine in lieu of or in addition to a suspension or revocation in an amount up to \$1,000 per offense.

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RCW 48.17.597 requires that an insurance producer, title insurance agent, or adjuster report to the commissioner any administrative action taken against the insurance producer, title insurance agent, or adjuster in another jurisdiction or by another governmental agency in this state within thirty days of the final disposition of the matter. This report shall include a copy of the order, consent to order, or other relevant legal documents.

IT IS FURTHER ORDERED that you return your insurance producer's license to the Commissioner no later than three days following entry of this Order, as required by RCW 48.17.530(4).

IT IS FURTHER ORDERED that you return your insurance producer license certificate to the Commissioner on or before the effective date of the revocation of your license, as required by RCW 48.17.530(4). Return your license to: Licensing Manager, Office of the Insurance Commissioner, P O Box 40257, Olympia, WA 98504-0257.

NOTICE OF YOUR RIGHT TO A HEARING

If you are aggrieved by this Order, RCW 48.04.010 permits you to demand a hearing. Pursuant to that statute and others: You must demand a hearing, in writing, within 90 days after the date of this Order, which is the day it was mailed to you, or you will waive your right to a hearing. Your demand for a hearing must specify the reasons why you think this Order should be changed. Upon receipt of your demand for hearing, you will be contacted by an assistant of the Chief Hearing Officer to schedule a teleconference with you and the Insurance Commissioner's Office to discuss the hearing and the procedures to be followed.

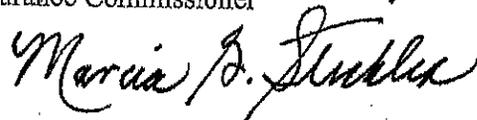
Please send any demand for hearing to:

Office of the Insurance Commissioner
Attention Patricia D. Petersen, Chief Hearing Officer
Hearings Unit
P.O. Box 40255
Olympia, WA 98504-0255

ENTERED AT TUMWATER, WASHINGTON, this 11th day of August, 2011.

MIKE KREIDLER
Insurance Commissioner

By



Marcia G. Stickler
Legal Affairs Division

ORDER REVOKING LICENSE

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CERTIFICATE OF MAILING

The undersigned certifies under the penalty of perjury under the laws of the State of Washington that I am now and at all times herein mentioned, a citizen of the United States, a resident of the State of Washington, over the age of eighteen years, not a party to or interested in the above-entitled action, and competent to be a witness herein.

On the date given below I caused to be served the foregoing ORDER REVOKING LICENSE on the following individuals via US Mail.

James T. Shelnut
P.O. Box 211688
Augusta, Georgia 30917

SIGNED this 11th day of August, 2011, at Tumwater, Washington.

Jodie Thompson
Jodie Thompson