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August 7, 2013

Ms. Charles D. Brown
OIC Staff Attorney
P.O. Box 40255
Olympia, WA 98504-0255

*Via Email: CharlesB@OIC.WA.GOV
and First Class mail*

Re: Gholamreza Nikzad/Wood Financial Services Company/Request for Hearing Pursuant to
RCW. 48.04.010

Dear Mr. Brown:

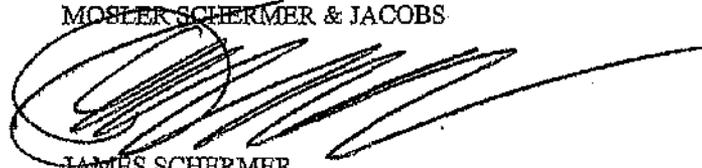
As indicated in prior email correspondence, and by telephone, I represent Gholamreza Nikzad and Wood Financial Services Company, the above-referenced licensees, with respect to The Order Revoking License dated July 23, 2013, issued over your signature.

On behalf of the above-named licensees, I hereby request a hearing pursuant to RCW 48.04.010 for the purpose of contesting the orders of revocation revoking the Washington insurance producer licenses of the above named licensees, before an administrative law judge assigned under chapter 34.12, RCW.

This request for hearing is based upon the licensees belief that they have attempted in good faith to comply with the prior order of the Commissioner's Chief Presiding Officer dated November 5, 2012, that revocation of the licensees' licenses will impose extreme financial and emotional hardship on the licensees in so far as it will deny licensee Gholamreza Nikzad his means of livelihood, and that such extreme hardship is not merited under the circumstances which constitute the basis of the license revocation order, and on the additional grounds that the licensees are ready, willing and able to fully comply with the requirements of the prior order dated November 5, 2012, and anticipate that such full compliance can be achieved within 30 days of the date of this request for hearing.

Yours very truly,

MOSLER SCHERMER & JACOBS



JAMES SCHERMER
Direct Line: (206) 576-6907



OFFICE OF
INSURANCE COMMISSIONER

In The Matter of

GHOLAMREZA NIKZAD, and
WOOD FINANCIAL SERVICES
COMPANY,

Licensee.

NO. 13-0222

ORDER REVOKING LICENSE

To: Gholamreza Nikzad
14404 SE 15th St.
Bellevue, WA 98007

Wood Financial Services Company
5200 Southcenter Blvd., Suite 200
Tukwila, WA 98188

IT IS ORDERED AND YOU ARE HEREBY NOTIFIED that your Washington State insurance producer licenses are **REVOKED** effective **August 12, 2013**, pursuant to RCW 48.17.530 and RCW 48.17.540(2) and the Findings of Fact, Conclusions of Law, and Final Order in OIC docket No. 12-0130 entered November 5, 2012.

THIS ORDER IS BASED ON THE FOLLOWING:

1. Wood Financial Services Company ("Wood") is a Washington company that holds a Washington entity insurance producer license, WAOIC #171385. Gholamreza Nikzad is the owner of Wood Financial Services Company and holds a Washington insurance producer license, WAOIC #198336. The licensees' mailing address is 5200 Southcenter Blvd, Suite 200, Tukwila, WA 98188.

2. Following an OIC examination of Licensees' financial records, in 2012 Licensees were parties to an adjudicative proceeding presided over by OIC Chief Hearing Officer, Patricia Petersen, in the matter entitled *In the Matter of Gholam Reza Nikzad and Wood Financial Services Company*, OIC Docket No. 12-0130, in which proceedings Licensees contested disciplinary action the OIC had proposed due to Licensees' violation of multiple requirements of the Washington Insurance Code pertaining to separate accounts, financial record keeping, and proper handling of premiums and return premiums.

3. Following a hearing, Findings of Fact, Conclusions of Law, and a Final Order were entered in the above-referenced matter on November 5, 2012, which Findings, Conclusions, and Order are incorporated herein by this reference as though fully set forth.

4. The Final Order in OIC Docket No. 12-0130 required Licensees to do a number of things, including the following:

a. Transfer by the end of 2012 all of their general agency accounts to a properly licensed insurance producer who is not affiliated with the Licensees;

b. Take no new general agency account business;

c. By the end of 2012, retain only direct bill accounts and receive and handle only new business which is direct bill;

d. Within three months from November 5, 2012, provide the OIC with organized, clear evidence to the satisfaction of the OIC that the Licensees received, identified, deposited and handled all premium credits received in calendar year 2009 and promptly and properly returned these funds to their customers or other persons entitled thereto;

e. Commencing January 1, 2013, maintain Licensees' accounts and records relating to all of their insurance business in full compliance with all provisions of the Insurance Code and regulations.

5. The Final Order in OIC Docket No. 12-0130 further provides that if each of the conditions set forth in the Order is not fully met within the time frames stated, the Washington resident insurance producer's licenses of Gholam Reza Nikzad and Wood Financial Services Company shall be, at the sole discretion of the OIC, revoked without advance notice.

6. In April, 2013, a limited scope follow-up examination of Licensees' business and books and records was conducted by the OIC which reflected that Licensees had completely and utterly failed to comply with the above-cited requirements of the Final Order in OIC Docket No. 12-0130.

7. In 2013 and in direct violation of the Final Order in OIC Docket No. 12-0130, Licensees failed to transfer all existing agency billed accounts and in fact continued to write new Agency-billed business in violation of the Order.

8. During the OIC examiner's visit at the agency, she found that Licensee had failed to reconstruct their records that pertained to premium credits received in the year 2009 as a result of cancellations, endorsements and overpayments as required in the Order, and Licensees in

ORDER REVOKING LICENSE

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violation of the Order did not provide the necessary documents to show premium credits received or how, when, or if such funds were properly handled and returned to their customers or entities entitled thereto.

9. Due to Licensees' lack of records, the OIC examiner contacted a brokerage through which Licensees' agency billed business was conducted and obtained a list of return premiums owed by Licensees in the amount of \$4,465.58, which list was provided to Licensees on April 24, 2013. On June 24, 2013, the OIC examiner returned to the agency and found Licensees had still not made the premium refunds that were due.

10. The OIC examiner found that Licensees failed to maintain any semblance of an adequate accounting or book keeping system. For example, bank deposits were not itemized making it impossible to trace premium or return premium funds received into the separate premium account and the transaction activity of the Licensees' bank statements indicated business and personal expenditures being paid from the separate premium account as well as bank fees and unsupported transfers between the operating account and the separate premium account. Due to the Licensees' inadequate records, commingling, and failure to reconcile the separated premium account, it was not possible to determine whether there was a shortage in the separate premium account.

11. By failing to produce accounts, records, and documents necessary to facilitate the OIC's financial examination, Licensees violated RCW 48.03.030(1).

12. By failing to retain records of all transactions consummated under their licenses and failing to keep such records available and open to inspection by the OIC for at least five years, Licensees violated RCW 48.17.470(1) and (2).

13. By failing to maintain records and an appropriate accounting system for all premiums and return premiums received, Licensees violated RCW 48.17.480 (1) and (2), RCW 48.17.470, RCW 48.17.600(1), and WAC 284-12-080(8) and (9).

14. By using the separate premium account to pay for personal and business expenses, Licensees violated RCW 48.17.600(1) and WAC 284-12-080(4).

15. By failing to reconcile the separate premium account, Licensees violated RCW 48.17.480(2), RCW 48.17.600(1), RCW 48.17.470, and WAC 284-12-080(8).

RCW 48.17.530(1)(b) authorizes the Commissioner to revoke the license of an insurance producer for violating any insurance laws or any rule or order of the Commissioner. Accordingly, the Washington State insurance producer licenses of Gholamreza Nikzad and Wood Financial Services Company are hereby **REVOKED**.

ORDER REVOKING LICENSE

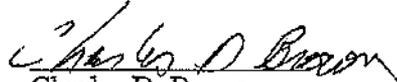
No. 13-0222

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IT IS FURTHER ORDERED that Licensees immediately return to OIC the certificates of their producer licenses. Such license shall be delivered to: ATTN: Licensing Manager, Office of the Insurance Commissioner, P. O. Box 40257, Olympia, WA 98504-0257.

ENTERED AT TUMWATER, WASHINGTON, this 23rd day of July, 2013.

MIKE KREIDLER
Insurance Commissioner

By 
Charles D. Brown
OIC Staff Attorney

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.

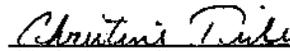
On the date given below I caused to be served the foregoing ORDER REVOKING LICENSE on the following individuals via US Mail at the below indicated addresses:

Gholamreza Nikzad
14404 SE 15th Street
Bellevue, WA 98007

And to:

Wood Financial Services Company
5200 Southcenter Boulevard, Suite 200
Tukwila, WA 98188

SIGNED this 23rd day of July, 2013, at Tumwater, Washington.



Christine Tribe