



### BACKGROUND

1. On July 23, 2013, the Office of the Washington State Insurance Commissioner ("OIC") entered an Order Revoking License, No. 13-0222, ("Order Revoking"), revoking the Washington entity insurance producer's licenses of Wood Financial Services Company ("Wood") and Gholamreza Nikzad ("Nikzad"), effective August 12, 2013.
2. On August 8, 2013, Wood and Nikzad ("Wood/Nikzad" or "Licensees") filed a Demand for Hearing before an administrative law judge ("ALJ") in the Office of Administrative Hearings ("OAH") to contest the Order Revoking. The Order Revoking was thereby automatically stayed pending entry of Findings of Fact, Conclusions of Law, and Final Order.
3. On September 24, 2014, ALJ Lisa N.W. Dublin, acting as Presiding Officer, conducted an evidentiary hearing on Wood/Nikzad's Demand for Hearing. On November 24, 2014, Judge Dublin entered Findings of Fact, Conclusions of Law, and Initial Order.
4. Judge Dublin's Findings of Fact, Conclusions of Law, and Initial Order were transmitted to me, as Reviewing Officer, for review and for entry of Findings of Fact, Conclusions of Law, and Final Order. *See*, RCW 34.05.464.
5. On December 12, 2014, Wood/Nikzad filed Licensees' Petition for Review. On December 17, 2014, the OIC filed OIC Staff Response to Licensees' Petition for Review. On January 6, 2015, Wood/Nikzad filed Licensees' Reply to OIC Staff's Response to Licensees' Petition for Review.
6. On January 15, 2015, I entered an Order Remanding for Further Proceedings ("Order Remanding"). The Order Remanding directed the Presiding Officer "to admit evidence, including oral testimony, as to post-July 23, 2013, events." Such evidence had not been considered prior to entry of the November 24, 2014, Initial Order.
7. Judge Dublin conducted an additional evidentiary hearing March 31, 2015, during which she admitted evidence as to post-July 23, 2013, events, in compliance with the Order Remanding. On May 15, 2015, Judge Dublin entered Findings of Fact, Conclusions of Law, and Initial Order.
8. On June 9, 2015, Wood/Nikzad filed Licensees' Petition for Review. On June 17, 2015, the OIC filed OIC Response to Licensees' Petition for Review. Wood/Nikzad did not file a Reply to the OIC Response.
9. I have reviewed and considered the record, including the evidence presented to Judges Smith and Dublin, Wood/Nikzad's Petition for Review, and the OIC Response.

10. I have given due regard to Judge Dublin's opportunity to observe the witnesses. *See*, RCW 34.05.464(4).

**FINDINGS OF FACT**

I adopt Judge Dublin's Findings of Fact.

As Judge Dublin determined, at the time of Mr. Harte's October 28, 2013, examination, Licensees had failed to make the required refund payments, had not transferred their general agency accounts to an unaffiliated producer, and had not begun to maintain accounts and records in compliance with the Insurance Code and regulations. Findings 4.5-4.8.

At the time of the Remand Hearing, Licensees' January 2015 bank statement demonstrated that they were still commingling funds they held in a fiduciary capacity by paying operating expenses out of their fiduciary premium account. Finding 4.10.

**CONCLUSIONS OF LAW**

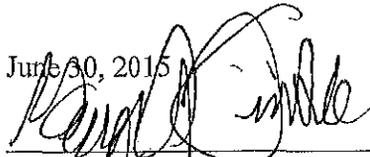
I adopt Judge Dublin's Conclusions of Law.

The OIC did not waive compliance with the terms of Judge Petersen's November 5, 2012, Final Order. The OIC is not estopped from enforcing such order.

**ORDER**

Based on the foregoing Findings of Fact and Conclusions of Law, the OIC's Order Revoking License, dated July 23, 2013, is confirmed. Wood Financial Services Company's Washington State entity insurance producer's license and Gholamreza Nikzad's Washington insurance producer's license are hereby Revoked.

June 30, 2015

  
\_\_\_\_\_  
Judge George Finkle (Ret.)  
Reviewing Officer

Pursuant to RCW 34.05.461(3), the parties are advised that they may seek reconsideration of this order by filing a request for reconsideration under RCW 34.05.470 with the undersigned within 10 days of the date of service (date of mailing) of this order. Further, the parties are advised that, pursuant to RCW 34.05.514 and 34.05.542, this order may be appealed to Superior Court by, within 30 days after date of service (date of mailing) of this order, 1) filing a petition in the Superior Court, at the petitioner's option, for (a) Thurston County or (b) the county of the petitioner's residence or principal place of business; and 2) delivery of a copy of the petition to the Office of the Insurance Commissioner; and 3) depositing copies of the petition upon all other parties of record and the Office of the Attorney General.

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: Gholamreza Nikzad, Wood Financial Services Company, James Schermer, Mike Kreidler, James T. Odiorne, John F. Hamje, AnnaLisa Gellermann, and Charles Brown.

DATED this 30<sup>th</sup> day of June, 2015.

  
KELLY A. CAIRNS