

STATE OF ARIZONA  
FILED

FEB 21 2006

DEPT OF INSURANCE  
BY CP

STATE OF ARIZONA

DEPARTMENT OF INSURANCE

In the Matter of:

**DANIEL FRANCIS CARNEVALE**

No. 06A- 019-INS

**CONSENT ORDER**

The State of Arizona Department of Insurance ("Department") has received evidence that Daniel Francis Carnevale, ("Respondent") violated provisions of Title 20, Arizona Revised Statutes. Respondent wishes to resolve this matter without the commencement of formal proceedings, and admits the following Findings of Fact are true and consents to entry of the following Conclusions of Law and Order.

**FINDINGS OF FACT**

1. Daniel Francis Carnevale is, and was at all material times licensed as a resident property & casualty insurance producer, Arizona license number 185281, which license expires October 31, 2006.

2. Respondent is an employee of Citywide Insurance Center, Inc.

3. On December 24, 2004, on behalf of Rick and Tena Stark, (the Starks) owners of Trailer Refrigeration, Inc., Respondent completed an application for a commercial general liability policy with Lincoln General Insurance Company through its general agent Arrowhead General Insurance Agency and accepted the Starks premium down payment check # 5795 in the amount of \$450.

4. On or about April 28, 2005, the Starks realized that their check had never cleared their bank and that they had never received their policy. The Starks contacted the

1 Respondent for an explanation. Respondent advised the Starks that the insurer was just slow  
2 in getting the policy out but that they were covered. Respondent had no binding authority.

3 5. Arrowhead General Insurance Agency had never received the application or  
4 premium down payment check and had never issued a policy.

5 6. On April 28, 2005, Respondent provided the Starks with a false certificate of  
6 liability insurance showing coverage written through Lincoln General Insurance under policy  
7 number 2537026518-0 effective 12/31/04 through 12/31/05.

8 7. In May 2005, Respondent told the Starks that Arrowhead General Insurance  
9 Agency lost the application and the check and that he needed to start the procedure over.  
10 The Starks decided to cancel the coverage through Citywide, put a stop payment on the  
11 premium down payment check, and find insurance through another carrier.

12 7. The Stark's new carrier requested a loss run to determine if Trailer Refrigeration  
13 had any prior claims. Respondent provided the Starks with a statement of no loss that they  
14 were to sign, but did not provide them with a loss run from Citywide or Arrowhead. When  
15 the Starks contacted Arrowhead directly to obtain a loss run, they found that the policy  
16 number shown on the certificate of insurance actually belonged to a different insured.  
17 Arrowhead had no record of Trailer Refrigeration being insured through them and could not  
18 provide them with a loss run. As a result, Trailer Refrigeration's new carrier was unable to give  
19 them a preferred status and increased their premium by \$843.87.

#### 19 CONCLUSIONS OF LAW

20 1. The Director has jurisdiction over this matter.

21 2. Respondent's conduct as described above constitutes the violation of any  
22 provision of A.R.S. Title 20 or any rule, subpoena or order of the director within the meaning of  
23 A.R.S. §20-295(A)(2).

1 3. Respondent's conduct as described above constitutes the misrepresentation of  
2 the terms of any policy issued or to be issued within the meaning of A.R.S. §20-443(A)(1).

3 4. Grounds exist for the Director to suspend, revoke, or refuse to renew  
4 Respondent's insurance license, impose a civil penalty and/or order restitution pursuant to  
5 A.R.S. §§20-295(A)&(G).

6 **ORDER**

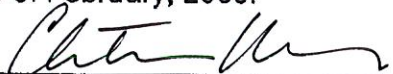
7 IT IS HEREBY ORDERED THAT:

8 1. Respondent shall make restitution to the Starks in the amount of \$843.87  
9 plus \$35.00 for the stop payment fee upon entry of this Order.

10 2. Respondent shall pay to the Department a civil penalty in the amount of  
11 \$500.00 within 60 days of the date of this Order.

12 3. Respondent's license, number 185281, shall be suspended for 10 days  
13 upon entry of this Order.

14 DATED AND EFFECTIVE this 16<sup>th</sup> day of February, 2006.

15   
16 **CHRISTINA URIAS**  
17 Director of Insurance

18 **CONSENT TO ORDER**

19 1. Respondent has reviewed the foregoing Findings of Fact, Conclusions of Law  
20 and Order.

21 2. Respondent admits the jurisdiction of the Director of Insurance, State of Arizona,  
22 and admits the foregoing Findings of Fact and consents to the entry of the foregoing  
23 Conclusions of Law and Order.

1           3.     Respondent is aware of his right to notice and a hearing at which he may be  
 2 represented by counsel, present evidence and examine witnesses. Respondent irrevocably  
 3 waives his right to such notice and hearing and to any court appeals relating to this Consent  
 4 Order.

5           4.     Respondent states that no promise of any kind or nature whatsoever, except as  
 6 expressly contained in this Consent Order, was made to him to induce him to enter into this  
 7 Consent Order and that he has entered into this Consent Order voluntarily.

8           5.     Respondent acknowledges that the acceptance of this Consent Order by the  
 9 Director is solely to settle this matter against him and does not preclude any other agency,  
 10 officer, or subdivision of this state from instituting civil or criminal proceedings as may be  
 11 appropriate now or in the future.

12 2-2-2006  
 13       Date

Daniel Francis Carnevale  
 Daniel Francis Carnevale, License #185281

14 COPIES of the foregoing mailed/delivered  
 15 this 21st day of February, 2006, to:

16 Daniel Francis Carnevale  
 17 626 S. Santa Ana Drive  
 Tucson, AZ 85710

18 Gerrie Marks, Deputy Director  
 19 Catherine M. O'Neil, Consumer Legal Affairs Officer  
 Steve Fromholtz, Licensing Supervisor  
 20 Arnold Sniegowski, Investigations Supervisor  
 Cheryl Hawley, Investigator  
 Department of Insurance  
 21 2910 North 44<sup>th</sup> Street, Suite 210  
 Phoenix, Arizona 85018

22 Curvey Watters Burton  
 23 Curvey Watters Burton