STATE OF ARIZONA FILED

JUN 7 2007

STATE OF ARIZONA

DEPARTMENT OF INSURANCE

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In the Matter of:)
FRED E. HINTZ) No. 07A- ₁₁₀ -INS
TRED E. TIINTE) CONSENT ORDER
Respondent.)))

The State of Arizona Department of Insurance ("Department") has received evidence that Fred E. Hintz ("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

- Respondent is, and was at all material times licensed as an Arizona resident property, casualty, life and accident/health insurance producer, Arizona license number 7718, which license expires August 31, 2010.
- Respondent was not licensed, at all material times, as either a resident or nonresident surplus lines broker.
- 4. Respondent is not exempt from licensure as either a resident or non-resident surplus lines broker or Mexican insurance surplus lines broker.
- Over the past 12 months, Respondent placed surplus lines business with a licensed surplus lines broker.

6. Respondent charged a fee for services rendered in connection with the surplus lines policies.

CONCLUSIONS OF LAW

- 1. The Director has jurisdiction over this matter.
- 2. Insurance contracts procured as surplus lines coverage are fully valid and enforceable as to all parties and shall be recognized in all matters in the same manner as like contracts issued by authorized insurers, within the meaning of A.R.S. § 20-410(A).
- 3. Respondent charged and received fees pursuant to A.R.S. § 20-410(C) when he did not have a surplus lines license.
- 4. Respondent's conduct as described above constitutes a violation of any provision of Title 20, within the meaning of A.R.S. § 20-295(A)(2).
- 5. Grounds exist for the Director to order Respondent to cease and desist from continuing the violation, engaging in the violation or doing any act in furtherance of the violation within the meaning of A.R.S. § 20-292.
- 6. Grounds exist for the Director to suspend, revoke, or refuse to renew Respondents' insurance license, impose a civil penalty and/or order restitution pursuant to A.R.S. §§20-295(A) and (F).

ORDER

IT IS HEREBY ORDERED THAT

 Respondent shall not take or collect a service fee for any Surplus Lines insurance contract, or otherwise transact Surplus Lines insurance business from offices or by

personnel or facilities located in the State of Arizona until such time as respondent is in compliance with the relevant Arizona licensing requirements.

2. Respondent shall pay a civil penalty in the amount of \$600.00 to the Director for deposit in the State General Fund in accordance with A.R.S. § 20-295(G), due upon entry of this Order.

DATED AND EFFECTIVE this ______ day of ________, 2007.

CHISTINA URIAS Director of Insurance

CONSENT TO ORDER

- Respondent has reviewed the foregoing Findings of Fact, Conclusions of Law and Order.
- Respondent admits the jurisdiction of the Director of Insurance, State of Arizona, and admits the foregoing Findings of Fact and consents to the entry of the foregoing
 Conclusions of Law and Order.
- 3. Respondent is aware of his right to notice and a hearing at which he may be represented by counsel, present evidence and examine witnesses. Respondent irrevocably waives his right to such notice and hearing and to any court appeals relating to this Consent Order.
- 4. Respondent states that no promise of any kind or nature whatsoever, except as expressly contained in this Consent Order, was made to him to induce him to enter into this Consent Order and that he has entered into this Consent Order voluntarily.

5. Respondent acknowledges that the acceptance of this Co	nsent Order by the	
Director is solely to settle this matter against him and does not preclude	any other agency,	
officer, or subdivision of this state or this agency from instituting civil or criminal proceed		
as may be appropriate now or in the future.		
5-30-07 Date Fred E. Hintz, License Number	nber 7718	
COPIES of the foregoing mailed/delivered this _7th day of, 2007, to:		
Christy Brown		
Low & Childers, P.C. 2999 N. 44th St., Suite 250		
Phoenix, AZ 85018 (Attorney for Respondent)		
Mary E. Kosinski, Exec. Assistant for Reg. Affairs Catherine M. O'Neil, Consumer Legal Affairs Officer		
Terry Cooper, Assistant Director Steve Fromholtz, Licensing Supervisor		
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