

JUL 5 2007

STATE OF ARIZONA

DEPARTMENT OF INSURANCE

DEPT OF INSURANCE
BY 

In the Matter of:

URSA VERONICA HERMAN

Respondent.

No. 07A-111-INS

CONSENT ORDER

The State of Arizona Department of Insurance ("Department") has received evidence that Ursa Veronica Herman ("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. Respondent is, and was at all material times licensed as an Arizona resident property, casualty, life and accident/health insurance producer, Arizona license number 99073, which license expires May 31, 2008.

2. Respondent is, and was at all material times employed as General Manager for Mike Pierce Insurance, Inc., Arizona License Number 644054, which has offices at 1211 W. Saint Mary's Rd. Tucson, AZ 85745; 3810 N. Oracle Tucson, AZ 85705; and at 1809 S. 6th Ave. Tucson, AZ 85713.

3. Respondent was not licensed, at all material times, as either a resident or non-resident surplus lines broker or Mexican insurance surplus lines broker.

1 4. Respondent is not exempt from licensure as either a resident or non-resident
2 surplus lines broker or Mexican insurance surplus lines broker.

3 5. Between 2002 and November 22, 2006, Respondent transacted Mexican
4 Surplus Lines insurance without a license.

5 6. Between 2002 and November 22, 2006, Respondent misrepresented insurance
6 premium prices to clients by charging processing fees that were not filed with or approved by
7 the Department by quoting the processing fees as part of the premium and failing to disclose
8 the fees to the clients as a separate charge. Between January 1, 2006 and November 22,
9 2006, Respondent collected \$9,170.00 in unauthorized fees from 806 clients. The processing
10 fees are as follows:

- 11 a) \$5.00 for making a premium payment in the office.
- 12 b) \$25.00 for processing a homeowner's insurance application.
- 13 c) \$100.00 for processing a commercial liability insurance policy application.
- 14 d) \$25.00 for processing an automobile insurance policy application.
- 15 e) \$25.00 for a roadside assistance auto club membership.

16 7. As General Manager, Respondent trained employees and new producers to
17 quote the processing fees as part of the premium and not to disclose the fees to the clients as
18 a separate charge as described in paragraph six above. Respondent is, or should have been,
19 aware of the laws and rules governing her license.

20 8. Respondent testified falsely during an examination under oath conducted by
21 Department investigators on November 22, 2006.

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1 **CONCLUSIONS OF LAW**

2 1. The Director has jurisdiction over this matter.

3 2. Insurance contracts procured as surplus lines coverage are fully valid and
4 enforceable as to all parties and shall be recognized in all matters in the same manner as like
5 contracts issued by authorized insurers, within the meaning of A.R.S. § 20-410(A).

6 3. Respondent's conduct, as alleged above, constitutes transacting Mexican
7 Surplus Lines insurance without a license, within the meaning of A.R.S. §20-282 and 411.01.

8 4. Respondent's conduct, as alleged above, constitutes charging or receiving a fee
9 or service charge in addition to the premium charged for services customarily provided in the
10 transaction of insurance without filing it with and receiving approval from the Department,
11 within the meaning of A.R.S. §20-465.

12 5. Respondent's conduct as described above constitutes a violation of any
13 provision of Title 20, within the meaning of A.R.S. § 20-295(A)(2).

14 6. Respondent's conduct as described above constitutes perjury, within the
15 meaning of A.R.S. §§20-160(D).

16 7. Grounds exist for the Director to order Respondent to cease and desist from
17 continuing the violation, engaging in the violation or doing any act in furtherance of the
18 violation within the meaning of A.R.S. § 20-292.

19 8. Grounds exist for the Director to suspend, revoke, or refuse to renew
20 Respondents' insurance license, impose a civil penalty and/or order restitution pursuant to
21 A.R.S. §§20-295(A) and (F).

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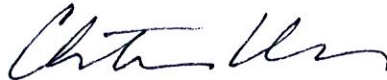
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1 **ORDER**

2 IT IS HEREBY ORDERED THAT

3 1. Respondent's license is suspended for a period of nine (9) months effective
4 immediately upon entry of this Order.

5 DATED AND EFFECTIVE this 3rd day of July, 2007.

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8 CHISTINA URIAS
9 Director of Insurance

10 **CONSENT TO ORDER**

11 1. Respondent has reviewed the foregoing Findings of Fact, Conclusions of Law
12 and Order.

13 2. Respondent admits the jurisdiction of the Director of Insurance, State of Arizona,
14 and admits the foregoing Findings of Fact and consents to the entry of the foregoing
15 Conclusions of Law and Order.

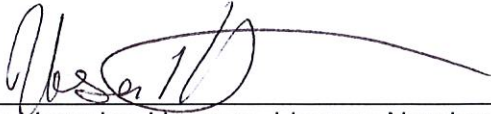
16 3. Respondent is aware of her right to notice and a hearing at which she may be
17 represented by counsel, present evidence and examine witnesses. Respondent irrevocably
18 waives her right to such notice and hearing and to any court appeals relating to this Consent
19 Order.

20 4. Respondent states that no promise of any kind or nature whatsoever, except as
21 expressly contained in this Consent Order, was made to her to induce her to enter into this
22 Consent Order and that she has entered into this Consent Order voluntarily.

23 5. Respondent acknowledges that the acceptance of this Consent Order by the
Director is solely to settle this matter against her and does not preclude any other agency,

1 officer, or subdivision of this state or this agency from instituting civil or criminal proceedings as
2 may be appropriate now or in the future.

3
4 6/21/07
Date

5 
Ursa Veronica Herman, License Number 99073

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8
9 COPIES of the foregoing mailed/delivered
this 5th day of July, 2007, to:

10
11 Eric J. McNeilus
Karp Heurlin Weiss
12 3060 North Swan Road
Tucson, AZ 85712-1225
13 Attorney for Respondent

14 Mary E. Kosinski, Exec. Assistant for Reg. Affairs
Catherine M. O'Neil, Consumer Legal Affairs Officer
15 Terry Cooper, Assistant Director
Steve Fromholtz, Licensing Supervisor
16 Arnold Sniegowski, Investigations Supervisor
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19 
Curvey Walters Burton

20 14625:CPA07-094