

OCT 29 2008

DEPT OF INSURANCE
BY 

STATE OF ARIZONA
DEPARTMENT OF INSURANCE

In the Matter of:)

GILBERT ALLEN GARCIA,)

Respondent.)

No. 08A-177 - INS

CONSENT ORDER

The State of Arizona Department of Insurance ("Department") has received evidence that Gilbert Allen Garcia ("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 a resident property & casualty, accident/health and life insurance producer, Arizona license number 111142, which was effective May 23, 2001 and expires March 31, 2009.
2. On October 25, 2007, the Department revoked license number 140559 held by Jose Cardoza Vasquez ("Vasquez").
3. Griselda Vasquez, Vasquez's wife, has never been licensed by the Department.
4. Subsequent to his license revocation, Vasquez made an arrangement with Respondent whereby Respondent, in exchange for cash remuneration as a self employed subcontractor, would sign his name in bulk to policy applications written by Griselda Vasquez and several of her non-licensed employees.

1 5. Between January 4, 2008 and March 31, 2008, Vasquez systematically
2 converted over 600 of his clients' policies to Newport Insurance Company and over 400 to
3 Unitrin Specialty Financial Services.

4 6. Respondent signed his name to the section of the application entitled
5 "PRODUCER'S STATEMENT" which states "I hereby certify that, to the best of my knowledge,
6 all information contained herein is correct, the statements herein are those of the applicant
7 who has signed this application in my presence and that the applicant and the undersigned
8 are retaining a duplicate signed copy hereof. I am legally qualified to submit this application
9 on behalf of the applicant. I understand that this policy is not bound until I receive a binder
10 number through one of the Company's binding systems and have collected the proper
11 premium for this policy."

12 7. Respondent did not meet with, collect premium from, witness the signatures of,
13 nor provide a duplicate signed copy of the application to the majority of the applicants.

14
15 **CONCLUSIONS OF LAW**

16 1. The Director has jurisdiction over this matter.

17 2. Respondent's conduct as described above constitutes intentionally
18 misrepresenting the terms of an actual or proposed insurance contract or application for
19 insurance, within the meaning of A.R.S. § 20-295(A)(5).

20 3. Respondents' conduct as described above constitutes using fraudulent, coercive
21 or dishonest practices, or demonstrating incompetence, untrustworthiness or financial
22 irresponsibility in the conduct of business, within the meaning of A.R.S. § 20-295(A)(8).

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

4
5 **ORDER**

6 IT IS HEREBY ORDERED THAT:

7 1. Respondent shall pay a civil penalty of One Thousand dollars (\$1,000) to the
8 Director payable upon the entry of this Order for remission to the State Treasurer for deposit in
9 the State General Fund.

10 2. Respondent's license is suspended for a period of thirty (30) days effective
11 immediately upon entry of this Order and shall not be reinstated until the civil penalty has been
12 paid in full.

13 DATED AND EFFECTIVE this 29th day of October, 2008.

14
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 nor does it preclude the Department from instituting
12 proceedings not related to this matter as may be appropriate now or in the future.

13 6. Respondents acknowledge that this Consent Order is an administrative action
14 that the Department will report to the National Association of Insurance Commissioners
15 (NAIC). Respondents further acknowledge that they must report this administrative action to
16 any and all states in which they hold an insurance license and must disclose this
17 administrative action on any license application.

18 10/27/08
19 Date

20 
21 Gilbert Allen Garcia, License No. 111142

1 COPIES of the foregoing mailed/delivered
this 29th day of October, 2008, to:

2
3 Gilbert Allen Garcia
1058 Madison Ave.
4 Yuma, AZ 85364

5
6 Mary Kosinski, Executive Assistant for Regulatory Affairs
Catherine M. O'Neil, Consumer Legal Affairs Officer
7 Steve Fromholtz, Licensing Supervisor
Arnold Sniegowski, Investigator
8 Department of Insurance
2910 North 44th Street, Suite 210
Phoenix, Arizona 85018

9
10 
11 Curvey Walters Burton