

DEPT OF INSURANCE BY *[Signature]*

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STATE OF ARIZONA  
DEPARTMENT OF INSURANCE

SEP 10 2009  
FILED  
STATE OF ARIZONA

In the Matter of:	)	
	)	No. 09A-699 - INS
DAVID ALAN JONES and	)	
TRUCKERS CHOICE, INC.,	)	
	)	CONSENT ORDER
Respondents.	)	
	)	

The State of Arizona Department of Insurance ("Department") has received evidence that David Alan Jones and Truckers Choice, Inc. ("Respondents") violated provisions of Title 20, Arizona Revised Statutes. Respondents wish to resolve this matter without the commencement of formal proceedings, and admit the following Findings of Fact are true and consent to entry of the following Conclusions of Law and Order.

**FINDINGS OF FACT**

1. David Alan Jones ("Jones") is, and was at all material times, licensed as an Arizona resident accident/health, life, property and casualty insurance producer, Arizona license number 206846, which expires August 31, 2010.
2. Truckers Choice, Inc. ("Truckers Choice") is, and was at all material times, licensed as an Arizona resident property and casualty insurance producer, Arizona license number 69931, which expires November 30, 2012. Jones is the owner/operator of Truckers Choice.
3. On August 15, 2001, Respondents entered into an "Agency Agreement" with Transwestern General Agency, Inc. of Salt Lake City, Utah ("Transwestern") to transact insurance on its behalf in Arizona.
4. Between March and June 2009, Respondents wrote 71 commercial auto insurance policies for Transwestern with a total of \$307,527.20 in earned premium. For each policy

1 Respondents collected a down payment on the premium from their clients, which was to be  
2 remitted to Transwestern. Clients paid the premium balance either by monthly installments to  
3 Respondents or by financing the balance through NFC Finance Corporation ("NFC"). Instead  
4 of paying the premium directly to Transwestern, NFC paid the financed portion of the premium  
5 balances directly to Respondents for remittance to Transwestern.

6 5. Respondents failed to remit to Transwestern the premium they received either  
7 from their clients or from NFC but converted the monies to their own use.

8 6. On July 7, 2009, Transwestern terminated its Agency Agreement with  
9 Respondents.

10 7. In July and August 2009, Transwestern cancelled the policies with unremitted  
11 balances for non-payment of premium and applied cancellation credits of unearned premium to  
12 those policies. As of August 20, 2009, the balance due of earned premium was \$81,467.45.

13 8. Respondents have since coordinated with another local insurance agency to  
14 assume a portion of their book of business, rewrite the cancelled policies to ensure continued  
15 coverage without lapse, and to make refunds to any clients who made monthly installments  
16 directly to Respondents.

#### 17 CONCLUSIONS OF LAW

18 1. The Director has jurisdiction over this matter.

19 2. Respondents' conduct as described above constitutes improperly withholding,  
20 misappropriating or converting any monies or properties received in the course of doing  
21 insurance business within the meaning of A.R.S. §20-295(A)(4).

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

5 **ORDER**

6 **IT IS HEREBY ORDERED THAT:**

- 7 1. Respondents' insurance licenses are revoked effective immediately upon entry of  
8 this Order.  
9 2. Respondents shall make restitution to Transwestern General Agency in the amount  
10 of \$81,467.45.

11 DATED AND EFFECTIVE THIS 10<sup>th</sup> day of September, 2009.

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14 **CHRISTINA URIAS**  
**Director of Insurance**

15 **CONSENT TO ORDER**

- 16 1. Respondents have reviewed the foregoing Findings of Fact, Conclusions of Law  
17 and Order.  
18 2. Respondents admit the jurisdiction of the Director of Insurance, State of Arizona,  
19 and admit the foregoing Findings of Fact and consent to the entry of the foregoing  
20 Conclusions of Law and Order.  
21 3. Respondents are aware of their right to notice and hearing at which they may be  
22 represented by counsel, present evidence and examine witnesses. Respondents irrevocably  
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1 waive their right to such notice and hearing and to any court appeals relating to this Consent  
2 Order.

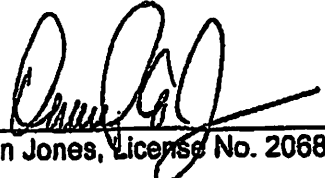
3 4. Respondents state that no promise of any kind or nature whatsoever, except as  
4 expressly contained in this Consent Order, was made to them to induce them to enter into  
5 this Consent Order and that they have entered into this Consent Order voluntarily.

6 5. Respondents acknowledge that the acceptance of this Consent Order by the  
7 Director settles this matter against them but does not preclude any other agency, officer, or  
8 subdivision of this state, including the Department, from instituting civil or criminal  
9 proceedings as may be appropriate in the future not connected with this matter or any other  
10 previously resolved complaints.

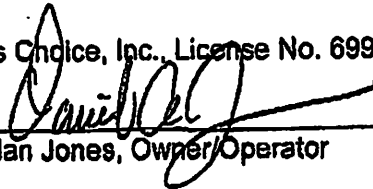
11 6. Respondents acknowledge that this Consent Order is an administrative action that  
12 the Department will report to the National Association of Insurance Commissioners (NAIC).  
13 Respondents further acknowledge that they must report this administrative action to any and  
14 all states in which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

16 7. David Alan Jones represents that he is owner/operator of Truckers Choice, Inc.  
17 and as such is authorized to enter into this Consent Order on its behalf.

18  
19 9/1/09  
Date

  
\_\_\_\_\_  
David Alan Jones, License No. 206846

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21  
22 9/1/09  
Date

Truckers Choice, Inc., License No. 69931  
  
\_\_\_\_\_  
David Alan Jones, Owner/Operator

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**COPY of the foregoing mailed/delivered  
this 10th day of September, 2009, to:**

**David Alan Jones  
6909 W. Charter Oak Road  
Peoria, AZ 85381  
Respondent**

**Truckers Choice, Inc.  
5322 N. 59<sup>th</sup> Ave., #M  
Glendale, AZ 85301  
Respondent**

**Carl Lee  
7830 N. 23<sup>rd</sup> Ave.  
Phoenix, AZ 85021  
(Attorney for Respondents)**

**Transwestern General Agency, Inc.  
P.O. Box 1196  
Salt Lake City, UT 84110**

**Mary Kosinski, Executive Assistant for Regulatory Affairs  
Catherine M. O'Neil, Consumer Legal Affairs Officer  
Mary Butterfield, Assistant Director, CAD  
Steven Fromholtz, Licensing Supervisor  
Arnold Sniegowski, Investigator  
Arizona Department of Insurance  
2910 North 44<sup>th</sup> Street, Suite 210  
Phoenix, AZ 85018**

*Maiden Scherini*  
**Curvey Walters Burton** *for*