STATE OF ARIZONA FILED

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STATE OF ARIZONA

DEPT OF INSURANCE BY

DEPARTMENT OF INSURANCE

2 In the Matter of:

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STARWAY AGENCY, INC., (National Producer # 8649829), and CHANG, SHELLEY, (Arizona License # 949827),

(National Producer # 88898).

Respondents

No. 09A-136-INS

CONSENT ORDER

The State of Arizona Department of Insurance ("Department") has received evidence that **Starway Agency, Inc. and Shelley Chang ("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

FINDINGS OF FACT

are true and consent to entry of the following Conclusions of Law and Order.

- 1. Starway Agency, Inc. ("Respondent Starway" or "Starway") is, and was at all times material, a New York domestic corporation licensed as a resident property and casualty agent, New York license # PC-1006444, which expires on June 30, 2010, and a New York resident broker, New York license # BR-1006444, which expires on October 31, 2010. Starway is also licensed in Maryland as a non-resident property and casualty producer, Maryland license # NPF 99999139, which expires on May 28, 2010.
 - 2. Starway is not licensed as an insurance producer in the State of Arizona.
 - 3. Starway is not exempt from the licensing requirement.
- 4. Starway's address of record is: 334 E. 92nd Street, Suite 1C, New York, New York 10128.
- 5. Shelley Chang ("Respondent Chang" or "Chang") is, and was at all times material, a non-resident property and casualty producer, Arizona license # 949827, which expires on July 31, 2013.

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- 6. Chang's address of record with the Department is: 334 E. 92nd Street, Suite 1C, New York, New York 10128 (business, mailing and residence).
 - 7. Chang is the Chairman or Chief Executive Officer of Starway.
- 8. On August 18, 2009, Starway sent a letter to Head to Toe Healthcare, PLC, 7406 N. La Cholla Bivd., Tucson, Arizona 85741-2306. In the letter, Starway attempted to sell insurance in the form of a \$50,000 Medicare Bond.
- 9. Starway also maintains a website: www.starway-dmepos.com which offers bonds for sale. The website does not contain any restriction against accepting applications from Arizona residents.

CONCLUSIONS OF LAW

- 1. The Director has jurisdiction over this matter.
- 2. "Solicit" means attempting to sell insurance or asking or urging a person to apply for a particular kind of insurance from a particular company, within the meaning of A.R.S. § 20-281(15).
- 3. Respondent Starway's conduct, as alleged above, constitutes soliciting insurance in this state for any class or classes of insurance without being licensed for that line of authority, within the meaning of A.R.S. § 20-282.
- 4. Respondent Starway is not exempt from the licensing requirement, within the meaning of A.R.S. § 20-283.
- 5. Grounds exist for the Director to order Respondent Starway to cease and desist its violation pursuant to A.R.S. § 20-292.
- 6. Respondent Chang's conduct, as alleged above, constitutes a violation of Title 20, within the meaning of A.R.S. § 20-295(A)(2).
- 7. Grounds exist for the Director to suspend, revoke or refuse to renew Respondent Chang's insurance producer license or impose a civil penalty, within the meaning of A.R.S. § 20-295(A).

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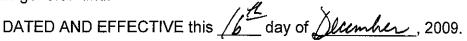
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8. Grounds exist for the Director to, in addition to or instead of any suspension. revocation or refusal to renew a license, impose a civil penalty of not more than \$250.00 for each unintentional failure or violation, up to an aggregate civil penalty of \$2,500.00 or not more than \$2,500.00 for each intentional failure or violation, up to an aggregate penalty of \$15,000.00, within the meaning of A.R.S. § 20-295(F).

ORDER

IT IS THEREFORE ORDERED:

- 1. Respondent Starway shall immediately cease and desist from soliciting any class or classes of insurance in this state until such time that it is licensed for the appropriate line of authority by the Arizona Department of Insurance.
- 2. Respondents shall immediately pay a civil penalty of \$500.00 for deposit into the state general fund.



CHRISTINA URIAS, Director Arizona Department of Insurance

CONSENT TO ORDER

- 1. Respondents have reviewed the foregoing Findings of Fact, Conclusions of Law and Order.
- 2. Respondents admit the jurisdiction of the Director of Insurance, State of Arizona, and admit the foregoing Findings of Fact and consent to the entry of the foregoing Conclusions of Law and Order.
- 3. Respondents are aware of their right to notice and a hearing at which they may be represented by counsel, present evidence and examine witnesses. Respondents

irrevocably waive their right to such notice and hearing and to any court appeals relating to this Consent Order.

- 4. Respondents state that no promise of any kind or nature whatsoever, except as expressly contained in this Consent Order, was made to them to induce them to enter into this Consent Order and that they have entered into this Consent Order voluntarily.
- 5. Respondents acknowledge that the acceptance of this Consent Order by the Director is solely to settle this matter against them and does not preclude any other agency, officer, or subdivision of this state including the Department from instituting civil or criminal proceedings as may be appropriate now or in the future.
- 6. Respondents acknowledge that this Consent Order is an administrative action that the Department will report to the National Association of Insurance Commissioners (NAIC). Respondents further acknowledge that they must report this administrative action to any and all states in which they hold an insurance license and must disclose this administrative action on any license application.
- 7. Respondents acknowledge that failure to comply with the terms of this Consent Order, including but not limited to the timely payment of restitution, may result in further action by the Department, including criminal action, or referral of this matter by the Department to another federal or state agency.

1	8. Shelley Chang represents that he is the Chief Executive Officer of Starway							
2	and, as such, is authorized to enter this Consent Order on its behalf.							
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7	1 De 9/09		Shalloy Ch	Mf-A	unal icense #	949827		
8	Date Shelley Chang, Arizona License # 949827 National Producer # 88898							
9 10	COPY of the force				·			
11	Lynette Evans							
12	Assistant Attorne 1275 West Wasl	nington						
13	Phoenix, Arizona Attorney for the							
14	Starway Agency 334 East 92 nd St	, Inc.						
15	New York, New							
16	Respondent							
17	Shelley Chang 334 East 92 nd St	reet, #1C						
18	New York, New Respondent							
19		anuty Director						
20	Gerrie Marks, Deputy Director Mary E. Kosinski, Exec. Assistant for Reg. Affairs							
21	Catherine M. O'Neil, Consumer Legal Affairs Officer Mary Butterfield, Assistant Director							
22	Steven Fromholtz, Licensing Administrator Department of Insurance							
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