

STATE OF ARIZONA

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FILED

JUL 29 2011

DEPARTMENT OF INSURANCE

DEPT OF INSURANCE  
BY 

In the Matter of: )

No. 11A-099-INS

PREMIER INSURANCE SOLUTIONS, PLLC, )  
(Arizona License # 954651) )  
and CAPSHAW, JEFFERY RAY, )  
(Unlicensed) )

ORDER SUMMARILY SUSPENDING  
LICENSE  
ORDER TO CEASE AND DESIST  
NOTIFICATION OF RIGHTS

Respondents. )

The State of Arizona Department of Insurance ("Department") has received evidence that Premier Insurance Solutions, PLLC and Jeffery Ray Capshaw ("Respondents") violated provisions of Title 20, Arizona Revised Statutes ("A.R.S."). In light of the serious nature of these allegations, the Director of Insurance for the State of Arizona ("Director") finds that the public health, safety and welfare imperatively require emergency action, within the meaning of A.R.S. §41-1092.11(B).

FINDINGS OF FACT

1. Premier Insurance Solutions, PLLC ("Premier") is, and was at all material times, licensed as a resident property and casualty producer, Arizona license number 954651, which expires on October 31, 2013.
2. Premier's addresses of record with the Department are: 1568 N. Tucana Ct., Gilbert, Arizona 85234 (business); and P.O. Box 2198, Gilbert, Arizona 85299 (mailing).
3. Jeffery Ray Capshaw ("Capshaw") was licensed as a resident property and casualty producer, Arizona license number 74097, which the Department revoked on March 8, 2011. As of June 15, 2011, Capshaw is listed as a Member and Manager of Premier.

1 Department records currently show Capshaw as the Principal and Designated Responsible  
2 Licensed Producer for Premier.

3 4. At the time of revocation, Capshaw's addresses of record with the Department  
4 were: 2200 E. Williams Field Rd., Suite 200, Gilbert, Arizona 85295 (business); P.O. Box  
5 2198, Gilbert, Arizona 85299 (mailing); and 1568 N. Tucana Ct., Gilbert, Arizona 85234  
6 (residence).

7 5. The Arizona Insurance Store, LLC dba Brook Insurance (the "Arizona Insurance  
8 Store") is an Arizona domiciled corporation, incorporated on June 1, 2007. The Arizona  
9 Insurance Store was never licensed to conduct insurance business in the State of Arizona.  
10 Capshaw is a Member of the Arizona Insurance Store.

11 **Mickelson Construction**

12 6. On or about April 21, 2009, Capshaw completed an application for and obtained  
13 a quote for commercial general liability insurance for Mickelson Construction of Glendale,  
14 Arizona ("Mickelson"). Mickelson remitted premium in the amount of \$4,647.92 to the Arizona  
15 Insurance Store. On April 23, 2009, Capshaw deposited the Mickelson premium into the  
16 Arizona Insurance Store business account. Capshaw failed to bind any coverage for  
17 Mickelson and retained the premium remitted by Mickelson.

18 7. On or about April 7, 2010, Capshaw invoiced Mickelson for renewal premium for  
19 the non-existent policy through Premier. Mickelson remitted premium to Premier in the  
20 amount of \$5,313.85. On April 13, 2010, Capshaw deposited the Mickelson renewal  
21 premium into the Premier business account. Capshaw still failed to bind any coverage for  
22 Mickelson and retained the premium remitted by Mickelson.

23 8. On March 8, 2011, the Department entered into a Consent Order with Capshaw,  
In the Matter of Capshaw, Jeffery Ray, Docket Number 10A-118-INS ("March 8, 2011

1 Consent Order"). The March 8, 2011 Consent Order revoked Capshaw's license, ordered  
2 restitution to Capital West and allowed Premier to either surrender its license or provide proof  
3 that Capshaw was no longer a Member or the Designated Licensed Responsible Producer for  
4 Premier.

5 9. In April, 2011, Capshaw negotiated a renewal premium with Mickelson for  
6 \$1,936.00. On April 23, 2011, Mickelson paid Premier the \$1,936.00 premium via credit card.  
7 On April 25, 2011, First Data Merchant Services deposited \$1,855.08 (\$1,936.00 less an  
8 \$80.92 processing fee) into the Premier business account. Capshaw still failed to bind any  
9 coverage for Mickelson and retained the premium remitted by Mickelson.

10 10. In June, 2011, Mickelson requested evidence of coverage from Capshaw. In  
11 response, Capshaw fabricated and sent Mickelson a certificate of coverage of insurance  
12 naming USF as the insurance company. Mickelson also requested a copy of the policy which  
13 Capshaw fabricated and sent.

14 11. On June 23, 2011, USF sent a letter to the Department stating that the policy  
15 Capshaw sent to Mickelson was not a legitimate USF number.

16 12. The public health, safety and welfare imperatively require emergency action.

### 17 CONCLUSIONS OF LAW

18 1. The Director has jurisdiction over this matter.

19 2. A person shall not sell, solicit or negotiate insurance in this state for any class or  
20 classes of insurance unless the person is licensed for that line of authority, within the meaning  
21 of A.R.S. § 20-282.

22 3. Respondents' conduct, as alleged above, constitutes violating any provision of  
23 Title 20 or any rule, subpoena or order of the Director, within the meaning of A.R.S. §20-  
295(A)(2).

1 4. Respondents' conduct, as alleged above, constitutes the improper withholding,  
2 misappropriation or conversion of any monies or properties received in the course of doing  
3 insurance business, within the meaning of A.R.S. §20-295(A)(4).

4 5. Respondents' conduct, as alleged above, constitutes intentionally  
5 misrepresenting the terms of an insurance policy, within the meaning of A.R.S. § 20-295(A)(5).

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

10 7. Grounds exist for the Director to suspend, revoke, or refuse to renew  
11 Respondent Premier's license, impose a civil penalty and/or order restitution pursuant to  
12 A.R.S. §§20-295(B) and (F).

13 8. Grounds exist for the Director to order Respondent Capshaw to cease and desist  
14 selling, soliciting or negotiating insurance in this state without a license, pursuant to A.R.S. §  
15 20-292.

#### 16 ORDER

17 IT IS HEREBY ORDERED THAT:


18 1. Respondent Premier Insurance Solutions, PLLC Arizona license, number  
19 954651, is summarily suspended, effective immediately upon entry of this Order.

20 2. Respondents shall pay restitution to Mickelson Construction of Glendale, Arizona  
21 in the amount of \$11,897.27.

22 3. Respondents are jointly and severally responsible for payment of restitution.  
23

1 4. Respondent Capshaw shall immediately cease and desist selling, soliciting or  
2 negotiating insurance in this state.

3 DATED this 28<sup>th</sup> day of July, 2011.

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CHRISTINA URIAS  
6 Director of Insurance

7 **NOTICE OF OPPORTUNITY FOR HEARING**

8 Pursuant to Title 20 of the Arizona Revised Statutes, Respondents are hereby notified  
9 that Respondents may request a hearing pursuant to A.R.S. § 20-161 to contest the summary  
10 suspension. Such request must be in writing and received at the following address within  
11 thirty (30) days from the date hereof:

12 **Arizona Department of Insurance**  
13 **2910 North 44<sup>th</sup> Street, Suite 210**  
14 **Phoenix, Arizona 85018-7269**

15 Upon receipt of a timely written request for hearing, the Director will issue an order  
16 setting the time and place of the hearing.

17 COPIES of the foregoing mailed/delivered  
18 this 29<sup>th</sup> day of July, 2011, to:


19 Premier Insurance Solutions, PLLC  
20 Jeffery Ray Capshaw  
21 1568 N. Tucana Ct.  
22 Gilbert, Arizona 85234  
23 Respondents

21 Premier Insurance Solutions, PLLC  
22 Jeffery Ray Capshaw  
23 P.O. Box 2198  
Gilbert, Arizona 85299  
Respondents

1 Jeffery Ray Capshaw  
2200 E. Williams Field Rd., Suite 200  
2 Gilbert, Arizona 85295  
Respondent

3 Mary E. Kosinski, Exec. Assistant for Reg. Affairs  
4 Catherine M. O'Neil, Consumer Legal Affairs Officer  
Charles Gregory, Investigations Supervisor  
5 Arnold Sniegowski, Investigator  
Department of Insurance  
6 2910 North 44<sup>th</sup> Street, Suite 210  
Phoenix, Arizona 85018

7 Office of the Attorney General  
8 Consumer Protection and Advocacy Section  
Agency Unit  
9 1275 W. Washington  
Phoenix, Arizona 85007-2997

10  
11   
12 Curvey Burton