

JUL 15 2013

STATE OF ARIZONA

DEPARTMENT OF INSURANCE

DEPT OF INSURANCE  
BY 

In the Matter of:

**KORMAN, DANIEL PHILLIP**  
**dba DAN KORMAN & ASSOCIATES**  
(Arizona License Number 64282)  
(National Producer Number 6735193)

No. 13A-078-INS

**CONSENT ORDER**

**Respondent.**

The State of Arizona Department of Insurance ("Department") has received evidence that **Daniel Phillip Korman dba Dan Korman & Associates** 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. Daniel Phillip Korman dba Dan Korman & Associates ("Korman" or "Respondent") is, and was at all material times, licensed as an Arizona resident accident/health, life, adjuster, casualty, and property insurance producer, Arizona license number 64282, which expires March 31, 2014. Korman first became licensed with the Department as an adjuster on June 10, 1994.

2. Korman's address of record is: 6822 S. Butte Ave., Tempe, Arizona 85283 (business, mailing and residence).

**Third Party Adjusting**

3. On September 20, 2000, the Department issued Circular Letter 2000-11 to all licensed adjusters, authorized property and casualty insurers, insurance trade associations,

1 and other interested parties advising that A.R.S. § 20-281 limits a licensed adjuster to first  
2 party representation. An adjuster is authorized to act only on the behalf of either the insurer or  
3 the insured. A licensed adjuster is not authorized to represent third-party claimants.

4 4. On or about June 29, 2012, Korman entered into an agreement to act as the  
5 third party adjuster for Laura Contreras ("Contreras") and her minor daughter in the matter of  
6 her claim with MetLife Auto & Home ("MetLife") for an automobile accident which occurred on  
7 June 15, 2012 ("June 29, 2012 agreement"). Contreras incurred \$9,010 in medical bills as a  
8 result of the accident.

9 5. As part of the June 29, 2012 agreement, Contreras gave Korman Power of  
10 Attorney to sign documents, including checks, on her behalf. Contreras' husband, Fred  
11 Contreras, did not execute a Power of Attorney for Korman.

12 6. Korman represented himself as an attorney to MetLife and to Contreras.

13 **Misappropriation of Settlement Monies**

14 7. On or about December 11, 2012 and December 12, 2012, Korman settled the  
15 claim on behalf of Contreras with MetLife by signing two Full and Final Release of All Claims  
16 and Indemnification Covenants and accepting two checks from MetLife totaling \$21,750.00.  
17 Korman did not notify Contreras of the settlement until or about April 6, 2013 when he  
18 provided her with her portion of the settlement money, \$7,303.00.

19 8. To date, Korman has not paid the medical bills incurred by Contreras with the  
20 remaining money less his percentage.  
21 ...  
22 ...  
23 ...

1 Forgery

2 9. On or about December 11, 2012 and December 12, 2012, Korman forged the  
3 signature of Fred Contreras to the two Full and Final Release of All Claims and  
4 Indemnification Covenants.

5 10. On or about December 12, 2012 and December 13, 2012, Korman forged the  
6 signature of Fred Contreras to settlement check numbers 005584794 and 800004412 from  
7 MetLife.

8 **CONCLUSIONS OF LAW**

9 1. The Director has jurisdiction over this matter.

10 2. An adjuster means any person who for compensation, fee or commission either  
11 adjusts, investigates or negotiates settlement of claims arising under insurance contracts on  
12 behalf of an insured or holds oneself out to perform those services, within the meaning of  
13 A.R.S. § 20-321(1).

14 3. Respondent's conduct, as described above, constitutes a violation of Title 20,  
15 within the meaning of A.R.S. § 20-295(A)(2).

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

19 5. Respondent's conduct, as described above, constitutes using fraudulent,  
20 dishonest practices, or untrustworthiness in the conduct of business in this state, within the  
21 meaning of A.R.S. § 20-295(A)(8).

22 ...  
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1           6.       Respondent's conduct as described above, constitutes forging another's name  
2 to any document related to an insurance transaction, within the meaning or A.R.S. § 20-295  
3 (A)(10).

4           7.       Grounds exist for the Director to deny, suspend for not more than twelve months,  
5 revoke, or refuse to renew an insurance producer's license, impose a civil penalty and/or order  
6 restitution pursuant to A.R.S. §§20-295(A) and (F) as applied to adjusters under A.R.S. § 20-  
7 321.02.

**ORDER**

IT IS HEREBY ORDERED THAT:

1.       Respondent's license is revoked effective immediately upon entry of this Order.
2.       Respondent shall immediately make restitution to Laura Contreras in the amount  
of \$9,010.00.

DATED AND EFFECTIVE this 15<sup>th</sup> day of July, 2013.

  
GERMAINE L. MARKS  
Director of Insurance

**CONSENT TO ORDER**

1.       Respondent has reviewed the foregoing Findings of Fact, Conclusions of Law  
and Order.
2.       Respondent admits the jurisdiction of the Director of Insurance, State of Arizona,  
and admits the foregoing Findings of Fact and consent to the entry of the foregoing  
Conclusions of Law and Order.

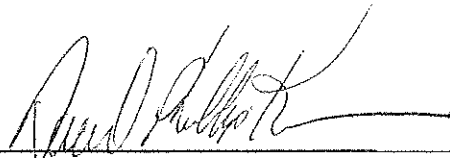
1           3.       Respondent is aware of his right to notice and hearing at which he may be  
2 represented by counsel, present evidence and examine witnesses. Respondent irrevocably  
3 waives his right to such notice and hearing and to any court appeals relating to this Consent  
4 Order.

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

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

17           7/10/2013  
18           Date

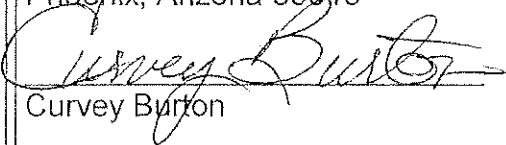
17             
18           Daniel Phillip Korman, Arizona License # 64282

19           COPIES of the foregoing mailed/delivered  
20 this 15th day of July, 2013, to:

21           Daniel Phillip Korman  
22           C/O Dan Korman & Associates  
23           6822 S. Butte Ave.  
              Tempe, AZ 85283  
              Respondent

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