

FEB 24 2014

DEPT OF INSURANCE
BY CB

STATE OF ARIZONA

DEPARTMENT OF INSURANCE

In the Matter of:

DESTINATION AUTO INSURANCE, LLC
(Arizona License Number 1009449) and
VELAZQUEZ, MARTHA LORENA

Respondents.

No. **14A-024-INS**

CONSENT ORDER

The State of Arizona Department of Insurance ("Department") has received evidence that **Destination Auto Insurance, LLC and Martha Lorena Velazquez ("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.

SUMMARY OF ALLEGATIONS

1. Destination Auto Insurance, LLC ("Destination Auto") is, and was at all material times licensed as an Arizona resident casualty and property insurance producer, Arizona license number 1009449, which expires December 31, 2015. The Department licensed Destination Auto on December 20, 2011.

2. Destination Auto's address of record is: 8607 N. 59th Ave #A4., Glendale, Arizona 85032 (business and mailing).

3. Martha Lorena Velazquez ("Velazquez") is not, and was not at all material times, licensed to transact insurance in the State of Arizona.

4. Velazquez is not exempt from the licensing requirement.

5. Velazquez is a member of Destination Auto.

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1 **Unlicensed Activity**

2 6. From on or about December 20, 2011, Velazquez sold, solicited, and negotiated
3 insurance policies on behalf of Destination Auto.

4 7. Destination Auto shared commissions with Velazquez.

5 **Licensing Issues**

6 8. On or about December 20, 2011, Respondent's identified Vanessa Osuna
7 Guizar ("Guizar") (Arizona license number 1001742) as the Designated Responsible Licensed
8 Producer ("DRLP") for Destination Auto. Guizar was never associated with Destination Auto.

9 9. On or about June 24, 2013, Destination Auto began marketing itself as
10 Destination Insurance Solutions ("Destination Insurance"). Destination Auto failed to notify the
11 Director on a form prescribed by the Director before using the assumed business name of
12 Destination Insurance¹.

13 10. On or before the present date, Destination Auto changed their business
14 address without informing the Department within 30 days of the change.

15 11. Destination Auto has corrected their licensing issues.

16 **Use of Unfiled Fees**

17 12. Between or about December 20, 2011 through December 16, 2013,
18 Destination Auto charged a \$35.00 "Broker Fee" per policy. This fee was not reported to the
19 Department and does not meet the criteria for non-customary fees.

20 **Caraveo Complaint**

21 13. On or about October 28, 2013, Ana Luna Caraveo ("Caraveo") filed a Request
22 for Assistance ("Complaint") with the Department. In the Complaint, Caraveo alleged that
23

1 Velazquez was her insurance agent through Destination Auto during the course of finding
2 coverage for her properties through her business, Aloha Investment Group, LLC ("Aloha
3 Investment"). Luna also alleged Respondents misappropriated premium money for policy
4 number ATR/R/302075 with Med James, Inc. ("Med James").

5 14. Respondents misappropriated \$317.55 in premium which was due Med
6 James and charged Aloha \$150.00 in fees for policy numbers ATR/R/302075 and
7 ATR/R/298929.

8 CONCLUSIONS OF LAW

9 1. The Director has jurisdiction over this matter.

10 2. Respondents' conduct, as described above, constitutes a violation of Title 20,
11 within the meaning of A.R.S. § 20-295(A)(2).

12 3. Velazquez's conduct, as alleged above, constitutes selling, soliciting or
13 negotiating insurance in this state for any class or classes of insurance without being
14 licensed for that line of authority, within the meaning of A.R.S. § 20-282.

15 4. Velazquez is not exempt from the licensing requirement, within the meaning of
16 A.R.S. § 20-283.

17 5. Destination Auto's conduct, as described above, constitutes failing to report to
18 the Director, within thirty days, of any change to the licensee's residential or business
19 address, within the meaning of A.R.S. § 20-286(C)(2).

20 6. Destination Auto's conduct as described above, constitutes providing incorrect,
21 misleading, incomplete or materially untrue information in the license application, within the
22 meaning of A.R.S. § 20-295(A)(1).

23 ¹ Destination Insurance Solutions is not a registered tradename with the Arizona Secretary of

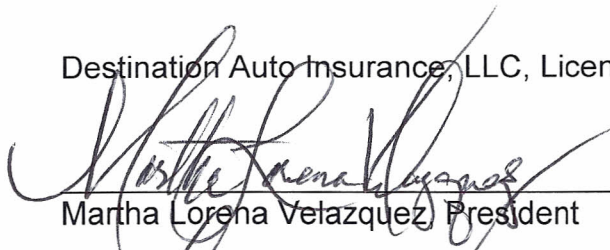
1 including the Department, officer, or subdivision of this state or this agency from instituting civil
2 or criminal proceedings as may be appropriate now or in the future.

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


8 7. Martha Lorena Velazquez represents that she is a Member of Destination Auto
9 Insurance, LLC, and as such is authorized to enter into this Consent Order on its behalf.

10 Destination Auto Insurance, LLC, License # 1009449

11 2/21/14
12 Date


13 Martha Lorena Velazquez President

14 2/21/14
15 Date

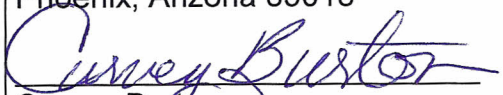

16 Martha Lorena Velazquez

17 COPIES of the foregoing mailed/delivered
18 this 24th day of February, 2014, to:

19 Martha Lorena Velazquez, President
20 Destination Auto Insurance, LLC
4150 W. Northern Ave. Suite 100
Phoenix, AZ 85051
Respondent

21 Martha Lorena Velazquez
22 5755 N. 59th Ave.
Glendale, AZ 85302
Respondent
23

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