

MAR 5 2014

DEPT OF INSURANCE
BY 

STATE OF ARIZONA

DEPARTMENT OF INSURANCE

In the Matter of:

SALINAS, ALEXANDER MICHAEL
(Arizona License Number 915408)
(National Producer Number 10477198)

Respondent.

No. 14A-030-INS

CONSENT ORDER

The State of Arizona Department of Insurance ("Department") has received evidence that **Alexander Michael Salinas** 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.

SUMMARY OF ALLEGATIONS

1. Alexander Michael Salinas ("Salinas" or "Respondent") is, and was at all material times, licensed as an Arizona resident casualty and property insurance producer, Arizona license number 915408, which expires October 31, 2015.

2. Salinas' addresses of record are: c/o Low Cost Professional Services, 798 N. Arizona Av., Chandler, Arizona 85225 (business and mailing) and 301 N. Ithica St. #12, Chandler, Arizona 85225 (residence).

3. Low Cost Professional Services ("Low Cost") is a registered name owned by Salinas¹.

¹ Low Cost Professional Services is not registered as an assumed business name with the Department.

1 **Unlicensed Activity**

2 4. From on or about January 13, 2012 through November, 2013, Salinas allowed
3 his father, Alex Salinas ("Salinas Sr.") to sell, solicit, and negotiate insurance policies on behalf
4 of Low Cost.

5 5. Salinas Sr.'s Arizona license, Arizona Number 941895 expired on August 31,
6 2012.

7 6. Salinas Sr. is not exempt from the licensing requirement.

8 7. Salinas and Low Cost shared commissions with Salinas Sr.

9 8. The Department has issued an Order to Cease and Desist in the Matter of
10 Salinas, Alex, Docket Number 14A-027-INS ("Order"). The Order required Salinas Sr. to
11 immediately cease and desist unlawfully selling, soliciting or negotiating any class or classes
12 of insurance.

13 **Licensing Issues**

14 9. On or about January 13, 2012, Salinas began marketing himself as Low Cost.
15 Salinas failed to notify the Director on a form prescribed by the Director before using the
16 assumed business name of Low Cost.

17 10. On or before the present date, Salinas changed his residential
18 address without informing the Department within 30 days of the change.

19 11. On or before the present date, Salinas changed his business and residential
20 telephone numbers without informing the Department within 30 days of the change.

21 **Graf Complaint**

22 12. On or about January 16, 2014, Carrie A. Graf ("Graff") filed a Request for
23 Assistance ("Complaint") with the Department. In the Complaint, Graf alleged that Salinas and

1 Salinas Sr. were her insurance agents through Low Cost. Salinas misappropriated \$44.00 in
2 premium money for policy number AZU-710627 with United Automobile Insurance Company,
3 Inc. ("UAIC").

4 13. On or about November 15, 2013, Graff's vehicle was involved in an accident
5 at which time she learned her insurance policy with UAIC was canceled for non-payment of
6 premium. Salinas and Low Cost failed to remit the premium received from Graf to UAIC.

7 **CONCLUSIONS OF LAW**

8 1. The Director has jurisdiction over this matter.

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

11 3. Salinas' conduct, as described above, constitutes failing to report to the
12 Director, within thirty days, of any change to the licensee's residential or business address,
13 within the meaning of A.R.S. § 20-286(C)(2).

14 4. Salinas' conduct, as described above, constitutes failure to notify the director
15 on a form prescribed by the director before doing business under any name other than the
16 producer's legal name, within the meaning of A.R.S. § 20-297(A).

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

20 6. Salinas' conduct as described above constitutes paying a commission to an
21 unlicensed person for selling, soliciting or negotiating insurance in this state within the
22 meaning of A.R.S. § 20-298(A).

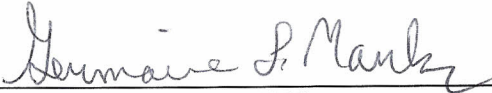
1 7. Grounds exist for the Director to deny, suspend for not more than twelve months,
2 revoke, or refuse to renew an insurance producer's license, impose a civil penalty and/or order
3 restitution pursuant to A.R.S. § 20-295(A).

4 **ORDER**

5 IT IS HEREBY ORDERED THAT:

- 6 1. Salinas' insurance producer license, Arizona License number 915408, is revoked
7 effective immediately upon entry of this order.
- 8 2. Salinas shall immediately make restitution to Graff in the amount of \$44.00.
- 9 3. Salinas shall immediately make restitution to any other heretofore undiscovered
10 victims.

11 DATED AND EFFECTIVE this 4th day of March, 2014.

12 
13 _____
14 GERMAINE L. MARKS
15 Director of Insurance

16 **CONSENT TO ORDER**

- 17 1. Respondent has reviewed the foregoing Findings of Fact, Conclusions of Law
18 and Order.
- 19 2. Respondent admits the jurisdiction of the Director of Insurance, State of Arizona,
20 and admit the foregoing Findings of Fact and consent to the entry of the foregoing
21 Conclusions of Law and Order.
- 22 3. Respondent is aware of his right to notice and hearing at which he may be
23 represented by counsel, present evidence and examine witnesses. Respondent irrevocably

1 waive his right to such notice and hearing and to any court appeals relating to this Consent
2 Order.

3 4. Respondent states that no promise of any kind or nature whatsoever, except as
4 expressly contained in this Consent Order, was made to him to induce him to enter into this
5 Consent Order and that he has entered into this Consent Order voluntarily.

6 5. Respondent acknowledges that the acceptance of this Consent Order by the
7 Director is solely to settle this matter against him and does not preclude any other agency,
8 including the Department, officer, or subdivision of this state or this agency from instituting civil
9 or criminal proceedings as may be appropriate now or in the future.

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

15 3-4-2014
16 Date



Alexander Michael Salinas, Arizona License # 915408

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19 COPIES of the foregoing mailed/delivered
20 this 5th day of March, 2014, to:

21 Alexander Michael Salinas
22 849 N. Oregon St.
23 Chandler, AZ 85225
Respondent

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Alexander Michael Salinas
798 N. Arizona Ave.
Chandler, AZ 85225
Respondent

Darren T. Ellingson, Deputy Director
Mary E. Kosinski, Executive Assistant for Regulatory Affairs
Maria Ailor, Acting Assistant Director, Consumer Affairs Division
Catherine M. O'Neil, Consumer Legal Affairs Officer
Steven Fromholtz, Licensing Supervisor
Charles Gregory, Supervisor Investigations Division
Randy Markham, Investigator
Department of Insurance
2910 North 44th Street, Suite 210
Phoenix, Arizona 85018


Curvey Burton