

MAR 2 2018

DEPT OF INSURANCE  
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STATE OF ARIZONA  
DEPARTMENT OF INSURANCE

In the Matter of:

**SIEGELMAN, MARK JAY**  
(National Producer # 18619362)

**Respondent.**

**No. 18A-003-INS**

**DEFAULT ORDER**

On January 30, 2018, the Arizona Department of Insurance ("Department") issued a Notice of Hearing ("Notice") in the above-captioned matter, a copy of which is attached as **Exhibit A** and incorporated by this reference. The Notice required Mark Jay Siegelman ("Siegelman" or "Respondent") to provide a written answer to the allegations set forth in the Notice within twenty days of the issuance of the Notice. As of this date, Respondent has failed to file an answer. On February 21, 2018, counsel for the Department filed a Motion for Default, a copy of which is attached as **Exhibit B**. As of this date, Respondent has not responded to the Department's motion. Pursuant to A.A.C.R20-6-106(D), a party that fails to file an answer within the time provided shall be deemed to be in default and one or more of the allegations in the Notice of Hearing may be deemed to be admitted.

**FINDINGS OF FACT**

1. Notice was proper.
2. Respondent is in default.
3. The allegations in the Notice are deemed admitted.

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**CONCLUSIONS OF LAW**

1  
2 1. The conduct alleged in the Notice constitutes grounds for the Director to  
3 suspend, revoke or refuse to renew Respondent's license to transact insurance in Arizona,  
4 pursuant to A.R.S. §20-295(A).

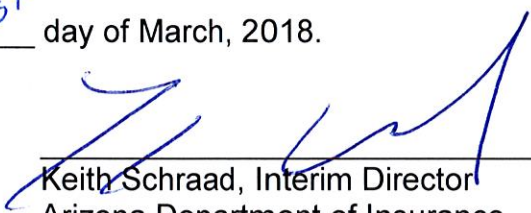
5 **ORDER**

6 IT IS ORDERED:

7 1. The insurance license held by Respondent is revoked effective upon the  
8 issuance of this Order.

9 2. The hearing set for **March 9, 2018 at 1:00 p.m.** shall be vacated.

10 DATED this 1<sup>st</sup> day of March, 2018.

11  
12   
13 \_\_\_\_\_  
Keith Schraad, Interim Director  
Arizona Department of Insurance

14  
15 **COPY** of the foregoing electronically filed this  
16 2<sup>nd</sup> day of March, 2018 to:

17 Velva Moses-Thompson, Administrative Law Judge  
18 Office of Administrative Hearings

19 **COPY** of the foregoing delivered same date to:

20 Mary Kosinski, Regulatory Legal Affairs Officer  
21 Steven Fromholtz, Assistant Director, Consumer Protection Division  
22 Aqueelah Currie, Licensing Manager  
23 Arizona Department of Insurance  
2910 North 44<sup>th</sup> Street, Suite 210  
Phoenix, Arizona 85018

24 **COPY** of the foregoing emailed same date to:

25 Liane Kido  
[Liane.Kido@azag.gov](mailto:Liane.Kido@azag.gov)  
26 Attorney for the Arizona Department of Insurance

1 **COPY** mailed same date to:

2 Mark Jay Siegelman  
3 4600 N. 68<sup>th</sup> Street, Unit 366  
4 Scottsdale, AZ 85251  
5 Respondent

6 Maidene Schermer  
7 6824555

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STATE OF ARIZONA  
DEPARTMENT OF INSURANCE

In the Matter of:  
  
**SIEGELMAN, MARK JAY**  
(National Producer Number 18619362)  
  
**Respondent.**

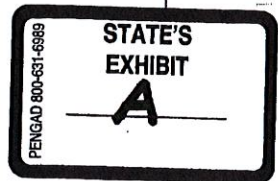
Docket No. 18A-003-INS  
  
**NOTICE OF HEARING**  
  
**(ALJ Velva Moses-Thompson)**

PLEASE TAKE NOTICE that the above-captioned matter will be heard before the Interim Director of Insurance of the State of Arizona (the "Interim Director") or a duly designated representative on March 9, 2018 at 1:00 p.m. at the Office of Administrative Hearings, 1740 West Washington St., Lower Level, Phoenix, Arizona 85007<sup>1</sup>.

If you wish to continue this hearing to another date, you must file a motion in writing with the Office of Administrative Hearings not less than 15 days before the scheduled hearing date. Please send it to the attention of the Administrative Law Judge ("ALJ") and include the docket number listed above. You must also mail or hand-deliver a copy of any motion to continue to the Department of Insurance on the same date you file it with the Office of Administrative Hearings.

You are not required to have an attorney represent you. However, if you are represented, your attorney must be licensed to practice law in the State of Arizona. An insurance company may be represented by a corporate officer. A.R.S. § 20-161(B).

<sup>1</sup> As authorized under Arizona Revised Statutes ("A.R.S.") §§ 20-161 through and including 20-165 and Title 41, Chapter 6, Article 10 (A.R.S. § 41-1092 *et seq.*).



1 You are entitled to be present during the giving of all evidence and you will have a  
2 reasonable opportunity to inspect all documentary evidence, examine witnesses, present  
3 evidence that supports your case and to request that the ALJ issue subpoenas to compel the  
4 attendance of witnesses and production of evidence. A.R.S. § 20-164(B).

5 A clear and accurate record of the proceedings will be made either by a court reporter  
6 or by electronic means. A.R.S. § 41-1092.07(E). If you want a copy of an electronic recording,  
7 you must contact the Office of Administrative Hearings at (602) 542-9826. If the hearing was  
8 transcribed by a court reporter and you want a copy of the transcript, you must pay the cost of  
9 the transcript to the court reporter or other transcriber.

10 Questions concerning issues raised in this Notice of Hearing should be directed to  
11 Assistant Attorney General Liane Kido, telephone number (602) 542-8011, 15 S. 15<sup>th</sup> Ave.,  
12 Phoenix, Arizona 85007, [Liane.Kido@azag.gov](mailto:Liane.Kido@azag.gov).

### 13 NOTICE OF APPLICABLE RULES

14 On January 23, 1992, we adopted the rules of practice and procedure applicable in  
15 contested cases before the Interim Director of Insurance. The hearing will be conducted  
16 pursuant to these rules. A.A.C. R20-6-101 through R20-6-115.

17 YOU MUST FILE A WRITTEN RESPONSE (ANSWER) TO THE ALLEGATIONS IN  
18 THIS NOTICE WITH US WITHIN **20 DAYS** AFTER WE ISSUE THIS NOTICE. A.A.C.  
19 R20-6-106. YOUR RESPONSE SHOULD STATE YOUR POSITION OR DEFENSE AND  
20 SHOULD SPECIFICALLY ADMIT OR DENY EACH ASSERTION IN THE NOTICE. IF YOU  
21 DO NOT SPECIFICALLY DENY AN ASSERTION, WE WILL CONSIDER IT ADMITTED. ANY  
22 DEFENSE YOU DO NOT RAISE WILL BE CONSIDERED WAIVED.

23 IF YOU DO NOT FILE YOUR RESPONSE ON TIME, WE WILL CONSIDER YOU IN  
24 DEFAULT AND THE DIRECTOR MAY DEEM THE ALLEGATIONS IN THE NOTICE AS

1 TRUE. ACCORDINGLY, WE WILL TAKE WHATEVER ACTION IS APPROPRIATE  
2 INCLUDING SUSPENSION, REVOCATION, IMPOSITION OF A CIVIL PENALTY AND  
3 ORDERING RESTITUTION TO ANY INJURED PERSON.

4 **PERSONS WITH DISABILITIES**

5 PERSONS WITH DISABILITIES MAY REQUEST REASONABLE  
6 ACCOMMODATIONS SUCH AS INTERPRETERS, ALTERNATIVE FORMATS, OR  
7 ASSISTANCE WITH PHYSICAL ACCESSIBILITY. REQUESTS FOR ACCOMMODATIONS  
8 SHOULD BE MADE AS EARLY AS POSSIBLE TO ALLOW TIME TO ARRANGE THE  
9 ACCOMMODATIONS. IF YOU REQUIRE ACCOMMODATIONS, PLEASE CONTACT THE  
10 OFFICE OF ADMINISTRATIVE HEARINGS AT (602) 542-9826.

11 The allegations supporting this Notice of Hearing are as follows:

12 1. On December 1, 2017, Mark Jay Siegelman ("Siegelman" or "Respondent")  
13 submitted an Application for an Individual Producer License (the "Application") with lines of  
14 authority in life and accident/health and sickness.

15 2. Respondent answered "Yes" to Question C1 under Section V of the Application,  
16 which asks, "Have you EVER been found guilty of, have you had a judgment made against you  
17 for, or have you admitted to any of the following: a felony (of any kind)?"

18 **State of Arizona v. Mark Jay Siegelman (CR2010-139699)**

19 3. On August 26, 2011, the Superior Court of Arizona, Maricopa County, convicted  
20 Respondent of three counts (as amended) of Attempted Sexual Exploitation of a Minor, Class  
21 3 Felonies, in case number CR2010-139699. The court sentenced Respondent to a term of  
22 imprisonment and lifetime probation. The court also required Respondent to register as a Sex  
23 Offender.

24

1 4. Respondent's incarceration dates are from August 23, 2011 until November 10,  
2 2014. His lifetime probation began on the date he was released from prison.

3 **Arizona State Board of Accountancy**

4 5. Respondent answered "No" to Question A under Section V of the Application,  
5 which asks, "Have you EVER had any professional, vocational, business license or certification  
6 refused, denied, suspended, revoked or restricted, OR been issued a consent order, an  
7 administrative action OR a fine imposed by any public authority?"

8 6. On June 11, 1990, the Arizona State Board of Accountancy ("Board") suspended  
9 Respondent's certificate to practice as a certified public accountant ("CPA").

10 7. On July 15, 1991, the Board revoked Respondent's certificate after Respondent  
11 continued to hold himself out as a CPA while his certificate was suspended.

12 8. On October 21, 2005, the Superior Court of Arizona, Maricopa County, issued an  
13 Order Granting Permanent Injunction, prohibiting Respondent from advertising or representing  
14 himself to the public as a CPA.

15 9. On December 6, 2017, the Department erroneously issued a license to  
16 Respondent as an Arizona resident insurance producer, National Producer Number 18619362,  
17 with lines of authority in life and accident/health or sickness. Respondent's insurance producer  
18 license expires on April 29, 2021.

19 **CONCLUSIONS OF LAW**

20 1. The Interim Director has jurisdiction over this matter.

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

24





1 COPY of the foregoing delivered same date to:

2 Mary Kosinski, Regulatory Legal Affairs Officer  
3 Steven Fromholtz, Assistant Director for Consumer Protection  
4 Aqueelah Currie, Licensing Supervisor  
5 Arizona Department of Insurance  
6 2910 North 44th Street, Suite 210  
7 Phoenix, Arizona 85018

8 COPY mailed same date by Regular Mail  
9 and Certified Mail, Return Receipt Requested, to:

10 Mark Jay Siegelman  
11 4600 N. 68<sup>th</sup> Street, Unit 366  
12 Scottsdale, AZ 85251  
13 Respondent

14 COPY sent same date via electronic mail to:

15 Liane Kido  
16 Assistant Attorney General  
17 [AdminLaw@azag.gov](mailto:AdminLaw@azag.gov)  
18 Attorney for the Department of Insurance

19 *Madeine Scheiner*  
20 Madeine Scheiner  
21 6770782



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STATE OF ARIZONA  
FILED

FEB 21 2018

DEPARTMENT OF INSURANCE  
BY MEK

1 MARK BRNOVICH  
2 Attorney General  
3 Firm Bar No. 14000  
4 Liane Kido  
5 State Bar No. 023696  
6 Assistant Attorney General  
7 Public Law Section  
8 2005 N. Central Ave.  
9 Phoenix, Arizona 85004  
10 Telephone: (602) 542-8011  
11 Facsimile: (602) 542-4385  
12 E-mail: Liane.Kido@azag.gov  
13 Attorneys for the Arizona Department of Insurance

STATE OF ARIZONA  
DEPARTMENT OF INSURANCE

In the Matter of:

No. 18A-003-INS

**IEGELMAN, MARK JAY**  
(National Producer Number 18619362)

**MOTION FOR DEFAULT**

Respondent.

The Arizona Department of Insurance ("Department"), by and through undersigned counsel, hereby requests that the Findings of Fact and Conclusions of Law set forth in the Notice of Hearing and incorporated herein by reference be entered in this matter, deeming Mark Jay Siegelman ("Siegelman" or "Respondent"), in default, deeming the allegations set forth in the Notice as true, and ordering that Respondent's insurance license be revoked.

On January 30, 2018, a Notice of Hearing ("Notice") was filed in this matter and served upon Mark Jay Siegelman at his address of record via certified mail pursuant to A.R.S. § 41-1092.04. On February 5, 2018, the Department received the certified mail return receipt, No. 7014 0510 0001 3934 3850, showing that the Notice had been delivered and accepted at Respondent's business and mailing addresses of record: 4600 N. 68<sup>th</sup>

1 Street, Unit 366, Scottsdale, AZ 85251. A copy of the certified mail receipt is attached to  
2 this request as **Exhibit A**.

3 Respondent had twenty (20) days from the date of issuance of the Notice to file a  
4 written answer to the allegations contained therein pursuant to Arizona Administrative Code  
5 ("A.A.C") R20-6-106. As of the date of this Motion, Respondent has not filed an answer nor  
6 has he appeared through counsel. Rule 20-6-106(D) of the Arizona Administrative Code  
7 provides that if an answer is not timely filed, the Respondent shall be deemed in default  
8 and the Director may deem the allegations set forth in the Notice of Hearing as true and  
9 take whatever action is appropriate including revoking the license.

10 The allegations supporting the Notice of Hearing are as follows:

11 1. On December 1, 2017, Mark Jay Siegelman ("Siegelman" or "Respondent")  
12 submitted an Application for an Individual Producer License (the "Application") with lines of  
13 authority in life and accident/health and sickness.

14 2. Respondent answered "Yes" to Question C1 under Section V of the  
15 Application, which asks, "Have you EVER been found guilty of, have you had a judgment  
16 made against you for, or have you admitted to any of the following: a felony (of any kind)?

17 **State of Arizona v. Mark Jay Siegelman (CR2010-139699)**

18 3. On August 26, 2011, the Superior Court of Arizona, Maricopa County,  
19 convicted Respondent of three counts (as amended) of Attempted Sexual Exploitation of a  
20 Minor, Class 3 Felonies, in case number CR2010-139699. The court sentenced  
21 Respondent to a term of imprisonment and lifetime probation. The court also required  
22 Respondent to register as a Sex Offender.

23 4. Respondent's incarceration dates are from August 23, 2011 until November  
24 10, 2014. His lifetime probation began on the date he was released from prison.

25 //

26

1 **Arizona State Board of Accountancy**

2 5. Respondent answered "No" to Question A under Section V of the Application,  
3 which asks, "Have you EVER had any professional, vocational, business license or  
4 certification refused, denied, suspended, revoked or restricted, OR been issued a consent  
5 order, an administrative action OR a fine imposed by any public authority?"

6 6. On June 11, 1990, the Arizona State Board of Accountancy ("Board")  
7 suspended Respondent's certificate to practice as a certified public accountant ("CPA").

8 7. On July 15, 1991, the Board revoked Respondent's certificate after  
9 Respondent continued to hold himself out as a CPA while his certificate was suspended.

10 8. On October 21, 2005, the Superior Court of Arizona, Maricopa County, issued  
11 an Order Granting Permanent Injunction, prohibiting Respondent from advertising or  
12 representing himself to the public as a CPA.

13 9. On December 6, 2017, the Department erroneously issued a license to  
14 Respondent as an Arizona resident insurance producer, National Producer Number  
15 18619362, with lines of authority in life and accident/health or sickness. Respondent's  
16 insurance producer license expires on April 29, 2021.

17 Based upon the foregoing, the Department respectfully requests that the allegations  
18 set forth in the January 30, 2018 Notice of Hearing be deemed admitted and that  
19 Respondent's insurance license be revoked.

20 RESPECTFULLY SUBMITTED this 21<sup>st</sup> day of February, 2018.

21 MARK BRNOVICH, Attorney General

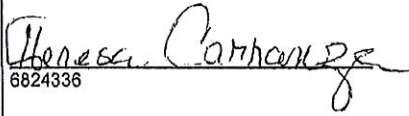
22 By /s/ Liane Kido  
23 Liane Kido, Assistant Attorney General  
24 Agency Counsel Section  
25 Attorneys for the Arizona Department of Insurance

26 COPY of the foregoing electronically filed this  
21<sup>st</sup> day of February, 2018 to:

1 Mary Kosinski, Regulatory Legal Affairs Officer  
2 Steven Fromholtz, Assistant Director, Consumer Protection Division  
3 Aqueelah Currie, Licensing Manager  
4 Arizona Department of Insurance

5 **COPY** mailed this 21<sup>st</sup> day of February, 2018 to:


6 Mark Jay Siegelman  
7 4600 N. 68<sup>th</sup> Street, Unit 366  
8 Scottsdale, AZ 85251  
9 Respondent

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11 6824336

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SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<input checked="" type="checkbox"/> Complete items 1, 2, and 3. <input type="checkbox"/> Print your name and address on the reverse so that we can return the card to you. <input type="checkbox"/> Attach this card to the back of the mailpiece or on the front if space permits.	Signature <input type="checkbox"/> Agent <input type="checkbox"/> Addressee <input type="checkbox"/> Other
Article Addressed to:  <div style="border: 1px solid black; padding: 5px;">             Mark Jay Siegelman              4600 N. 66th Street, Unit 366              Scottsdale, AZ 85261           </div>	<input type="checkbox"/> YES <input type="checkbox"/> NO Is delivery address different from item 1? (If YES, enter delivery address below)
Article Number (transferred from service label) 9590 9402 1835 6104 9382 04	<input type="checkbox"/> Priority Mail Express <input type="checkbox"/> Registered Mail <input type="checkbox"/> Registered Mail Restricted <input checked="" type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Signature Confirmation <input type="checkbox"/> Insured Mail <input type="checkbox"/> Registered Mail Restricted Delivery
PS Form 3811, JULY 2010 PSN 753 002 500 3093	Domestic Return Receipt

USPS TRACKING #



First-Class Mail  
 Postage & Fees Paid  
 USPS  
 Permit No. G-10

9590 9402 1835 6104 9382 04

United States Postal Service **RECEIVED**

Please print your name, address, and ZIP+4® in this box®

**Arizona Dept. of Insurance**

FEB 05 2018 2910 N. 44th St., Suite 210  
Phoenix, AZ 85018

ARIZONA DEPT. OF INSURANCE  
ADMINISTRATIVE SERVICES

*M. Kosnik*

*Docket # 18A-008-INS - Siegelman*

STATE'S  
 EXHIBIT  
**A**

PENGAO 800-631-6888