

NOV 26 2018

DEPT OF INSURANCE  
BY MEK

STATE OF ARIZONA  
DEPARTMENT OF INSURANCE

In the Matter of:

**DURAN, EDGAR**  
(National Producer Number 16807779)

No. 18A-149-INS

**CONSENT ORDER**

**Respondent.**

The State of Arizona Department of Insurance ("Department") has received evidence that **Edgar Duran** violated provisions of Title 20, Arizona Revised Statutes ("A.R.S."). Respondent wishes 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.

**FINDINGS OF FACT**

1. Edgar Duran ("Duran" or "Respondent") was, at all material times, licensed as an Arizona-resident insurance producer. On October 16, 2012, the Department issued Duran a license, number 16807779, with five (5) lines of authority: accident and health or sickness, casualty, variable life and variable annuity, property, and life. Duran's license renewed effective February 1, 2016, and is scheduled to expire on January 31, 2020.

2. Respondent's business and mailing address of record is: 4958 North Via Carina, Tucson, Arizona, 85704.

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1 **Farmers Insurance Group Complaint**

2 3. On or about October 30, 2017, Farmers Insurance ("Farmers") submitted to the  
3 Department a complaint against Duran, their former agent. During an internal audit, Farmers  
4 discovered that Duran submitted 14 fictitious documents between September 2013 and August  
5 2016, to qualify ineligible auto and homeowner policyholders for the CPA (Certified Public  
6 Accountant) Affinity Group discount. Duran acknowledged to Farmers that for at least six of the  
7 documents the insureds were not CPAs.

8 4. To qualify for a lower rating on his personal auto policy, Duran who is single  
9 reported his marital status as married by listing a spouse on his policy on July 17, 2017. As a  
10 result, the policy was misrated.

11 5. On or about October 19, 2017, Farmers terminated Duran's appointment for  
12 submitting falsified documents.

13 **Examination Under Oath**

14 6. On September 14, 2018, Duran presented at the Department for an Examination  
15 Under Oath ("EUO"). The subpoena ordering Duran's appearance also required him to provide  
16 any and all records in his possession related to the 14 accounts in question.

17 7. Duran testified he did not have any business records pertaining to those accounts  
18 as he was no longer employed at Farmers.

19 8. Duran confirmed the existence of the Farmers discount for CPAs.

20 9. Duran admitted altering documents he submitted to Farmers obtain the CPA  
21 discount.

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1 **ORDER**

2 IT IS HEREBY ORDERED THAT:

3 1. Respondent's resident license, number 16807779, is revoked, effective  
4 immediately upon entry of this Order.

5 2. Respondent shall immediately make restitution to Farmers in the amount of  
6 \$1,619.00.

7 DATED AND EFFECTIVE this 26<sup>th</sup> day of November, 2018.

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10   
11 KEITH A. SCHRAAD  
Interim Director of Insurance

12 **CONSENT TO ORDER**

13 1. Respondent has reviewed the foregoing Findings of Fact, Conclusions of Law and  
14 Order.

15 2. Respondent admits the jurisdiction of the Interim Director of Insurance, State of  
16 Arizona, and admits the foregoing Findings of Fact and consents to the entry of the foregoing  
17 Conclusions of Law and Order.

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

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

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

8           6.     Respondent acknowledges that this Consent Order is an administrative action  
9 that the Department will report to the National Association of Insurance Commissioners (NAIC)  
10 and that he may have to report this administrative action on any future licensing applications  
11 either to the Department or other states' Departments of Insurance.

12     11-13-2018

13     Date



13     Edgar Duran (AZ License Number 16807779)

14     COPIES of the foregoing mailed/delivered  
15 this 29th day of November, 2018, to:

16     Edgar Duran  
17     4958 North Via Carina  
18     Tucson, AZ 85704-1542  
19     Respondent

20     Mary Kosinski, Executive Assistant for Regulatory Affairs  
21     Catherine M. O'Neil, Consumer Legal Affairs Officer  
22     Steven Fromholtz, Assistant Director, Consumer Protection Division  
23     Sharyn Kerr, Admin Assistant, Consumer Protection Division  
24     Melissa Bramm, Investigator  
25     Arizona Department of Insurance  
26     100 N 15<sup>th</sup> Avenue Ste 102  
27     Phoenix, AZ 85007-2624

28     Francine Martinez  
29     Francine Martinez