

SEP 23 1996

DEPT. OF INSURANCE
BY SP

STATE OF ARIZONA
DEPARTMENT OF INSURANCE

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In the Matter of:) Docket No. 96A-093-INS
)
JOHN DAVID MORA and) **ORDER**
MORA INSURANCE and)
INVESTMENTS, INC.)
)
Respondents.)
)
)
_____)

On September 13, 1996, the Office of Administrative Hearings, through Administrative Law Judge Lewis D. Kowal submitted "Recommended Decision of Administrative Law Judge", a copy of which is attached and incorporated by this reference. The Director of the Arizona Department of Insurance has reviewed the recommendation, and enters the following order:

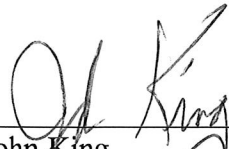
1. The recommended findings of fact and conclusions of law are adopted.
2. All insurance licenses issued by the Arizona Department of Insurance to John D. Mora are revoked effective immediately.
3. Mora Insurance Investment, Inc., will pay a civil penalty to the Department of Insurance in the amount of Five Hundred Dollars (\$500.00) within sixty (60) days of the effective date of this Order.

NOTIFICATION OF RIGHTS

The aggrieved party may request a rehearing with respect to this Order by filing a written petition with the Office of Administrative Hearings within thirty (30) days of the date of this Order, setting forth the basis for such relief pursuant to A.A.C. R20-6-114(B).

1 The final decision of the Director may be appealed to the Superior Court of Maricopa County for
2 judicial review pursuant to A.R.S. §20-166.

3 EFFECTIVE this 23rd day of September, 1996

4
5 
6 John King
7 Director of Insurance

8 A copy of the foregoing
9 mailed this 23rd day of
10 September, 1996

11 Charles R. Cohen, Deputy Director
12 John Gagne, Assistant Director
13 Catherine O'Neil, Assistant Director
14 Sandy Yaffi, Investigator
15 Maureen Catalioto, Supervisor
16 Department of Insurance
17 2910 North 44th Street, Suite 210
18 Phoenix, AZ 85018

19 Office of Administrative Hearings
20 1700 West Washington, Suite 602
21 Phoenix, AZ 85007

22 Kathryn Leonard
23 Assistant Attorney General
1275 West Washington
Phoenix, AZ 85012

John David Mora
P.O. Box 41864
Tucson, AZ 85717

John David Mora
2136 Capitol Avenue
Montgomery, AL 36107

1 John David Mora
5336 E. Bellevue, #12
2 Tucson, AZ 85712

3 Mora Insurance & Investments, Inc.
P.O. Box 40926
4 Tucson, AZ 85717

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1 4. At all times material to this matter, John E. Mora was and is the president
2 of Mora Insurance.

3 5. On January 31, 1991, John D. Mora submitted an application for renewal
4 of his insurance agent license (the 1991 renewal application) to the Department.

5 6. John David Mora answered "No" to questions 1 and 6 on the 1991
6 renewal application which asks:

7 "1. Since your last application of renewal thereof, have you
8 been convicted of a misdemeanor?

9 . . .

10 6. Are any criminal, civil, administrative or other judicial
11 quasi-judicial charges or proceedings currently pending
12 against you in any jurisdiction?"

13 7. On February 9, 1990, John D. Mora was found guilty in State of Arizona
14 vs. John Mora, Tucson City Court, No. 8999242, of providing false information to a law
15 enforcement officer in violation of A.R.S. § 13-2907.01, a misdemeanor, and driving on
16 a suspended license in violation of A.R.S. § 28-473, a misdemeanor.

17 8. On April 10, 1990, John D. Mora was issued Criminal Traffic Citation No.
18 2204677, by the Tucson Police Department, for driving on a suspended license in
19 violation of A.R.S. § 28-473, a misdemeanor.

20 9. On November 24, 1990, John D. Mora was arrested and issued Criminal
21 Traffic Citation No. 2271457, by the Tucson Police Department, for driving on a
22 suspended license in violation of A.R.S. § 28-473, a misdemeanor.

23 10. John D. Mora failed to disclose his February 9, 1990 misdemeanor
24 convictions and pending criminal actions for driving on a suspended license on the
25 1991 renewal application.

26 11. On March 1, 1993, John D. Mora submitted an application for renewal of
27 his insurance agent license (the 1993 renewal application) to the Department.

28 . . .

29 . . .

1 12. John D. Mora answered "No" to questions 8A and E, of the 1993 renewal
2 application, which asks:

3
4 "8A. SINCE YOUR LAST APPLICATION OR RENEWAL
5 THEREOF, have you been convicted of a misdemeanor?

6 . . .

7 8E. HAVE YOUR EVER BEEN CONVICTED OF A
8 FELONY OR MISDEMEANOR that you have not previously
9 reported to and informed this Department of in writing in any
10 prior application or renewal application?"

11 13. On March 18, 1991, John D. Mora was found guilty in State of Arizona vs.
12 John Mora, Tucson City Court, No. 90031716, of driving on a suspended license, in
13 violation of A.R.S. § 28-473, a misdemeanor.

14 14. On March 18, 1991, John D. Mora was found guilty in State of Arizona vs.
15 John Mora, Tucson City Court, No. 90102122, of driving on a suspended license, in
16 violation of A.R.S. § 28-473, a misdemeanor.

17 15. On August 31, 1992, John D. Mora was found guilty in State of Arizona
18 vs. John Mora, Tucson City Court, No. 92049878, of driving on a suspended license, in
19 violation of A.R.S. § 28-473, a misdemeanor.

20 16. On February 11, 1993, John D. Mora was found guilty in State of Arizona
21 vs. John Mora, Tucson City Court, No. 92082942, of driving under the influence of
22 alcohol, in violation of A.R.S. § 28-692(A).1, a misdemeanor.

23 17. John D. Mora failed to disclose the above-mentioned 1990, 1991, 1992
24 and 1993 misdemeanor convictions on the 1993 renewal application.

25 18. On February 8, 1995, John D. Mora submitted an application for renewal
26 of his insurance agent license (1995 renewal application) to the Department.

27 19. John D. Mora answered "No" to questions 8A and E of the 1995 renewal
28 application which asks:

29 "8A. SINCE YOUR LAST APPLICATION OR RENEWAL
30 THEREOF, have you been convicted of a misdemeanor?

. . .

1 8E. HAVE YOU EVER BEEN CONVICTED OF A
2 FELONY OR MISDEMEANOR that you have not previously
3 reported to and informed this Department of in writing in any
4 prior application or renewal application?"

5 20. On August 5, 1994, John D. Mora was found guilty in State of Arizona vs.
6 John Mora, Tucson City Court, Nos. 94008219, 93083273 and 94055061, of driving on
7 a suspended license, in violation of A.R.S. § 28-473, misdemeanors.

8 21. John D. Mora failed to disclose the above-mentioned 1990, 1991, 1992
9 and 1994 misdemeanor convictions on the 1995 renewal application.

10 22. On April 23, 1991, Mora Insurance submitted an application for renewal of
11 its insurance agency license (the April 1991 renewal application) to the Department.

12 23. Mora Insurance answered "No" to question C.2 and C.3 of the May 1991
13 renewal application which asks:

14 "C.2. Since your last application or renewal thereof, has
15 anyone designated in the license been convicted of a
16 misdemeanor?"

17 C.3. Are any criminal charges of ANY nature pending
18 against the agency or anyone designated in the license?"

19 24. Mora Insurance failed to disclose John D. Mora's February 9, 1990,
20 misdemeanor convictions and his pending criminal actions for driving on a suspended
21 license on the April 1991 renewal application.

22 25. On March 17, 1993, Mora Insurance submitted an application for
23 renewal of its insurance agency license (the March 1993 renewal application) to the
24 Department.

25 26. Mora Insurance answered "No" to questions 9A and E of the March 1993
26 renewal application which asks:

27 "9A. SINCE YOUR LAST APPLICATION OR RENEWAL
28 THEREOF, has anyone designed in the license been
29 convicted of a misdemeanor?
30 . . .

1 9E. HAS THE APPLICANT OR ANYONE DESIGNATED
2 IN THE LICENSE EVER BEEN CONVICTED OF A
3 FELONY OR MISDEMEANOR that was not previously
4 reported to and informed this Department of in writing in any
5 prior application or renewal application?"

6 27. Mora Insurance failed to disclose John D. Mora's above-mentioned 1990,
7 1991, 1992 and 1993 misdemeanor convictions on the March 1993 renewal application.

8 28. At the hearing, John E. Mora credible testified that at the time that he
9 submitted the April 1991 renewal application and March 1993 renewal application, he
10 did not have knowledge of John D. Mora's misdemeanor convictions. John E. Mora
11 was only aware that John D. Mora had some traffic violations.

12 29. John E. Mora admitted at the hearing that at all times material to this
13 matter, John D. Mora was designated in Mora Insurance's agency license and that
14 Mora was and still remains a director of Mora Insurance.

15 30. John D. Mora and John E. Mora credibly testified that John D. Mora left
16 Mora Insurance in March, 1991, to form his own agency and has had no further
17 association with Mora Insurance other than having the title of director for Mora
18 Insurance.

19 31. John E. Mora claimed that it was an administrative error that John D.
20 Mora was listed on the April 1991 and March 1993 renewal applications.

21 32. John D. Mora admitted at the hearing that he did not complete the 1993
22 and 1995 renewal applications correctly and that he did not believe at the time that he
23 submitted those renewal applications that the misdemeanor convictions or pending
24 criminal proceedings needed to be reported to the Department on the renewal
25 applications as he viewed them as being just traffic violations. John D. Mora's
26 testimony is determined not to be credible.

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CONCLUSIONS OF LAW

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3 1. The Director has jurisdiction to hear this matter pursuant to A.R.S. § 20-
4 161.

5 2. The conduct of John D. Mora and Mora Insurance as set forth above
6 constitutes a material misrepresentation in the application for, or attempt to obtain, any
7 insurance license, in violation of A.R.S. § 20-316(A)(3).

8 3. John D. Mora's conduct as set forth above in the Findings of Fact
9 constitutes the wilful violation of or wilful non-compliance with any provision of Title 20
10 in the Arizona Revised Statutes or any lawful rule, regulation or order of the Director, in
11 violation of A.R.S. § 20-316(A)(2).

12 4. The conduct of John D. Mora and Mora Insurance as set forth above in
13 the Findings of Fact constitutes the existence of any cause in which original issuance or
14 any renewal of the insurance license could have been refused within the meaning of
15 A.R.S. § 20-316(A)(1).

16 5. The conduct of John D. Mora as set forth above in the Findings of Fact
17 constitutes a wilful misrepresentation of any facts required to be disclosed in any
18 application or attempting any statement, in violation of A.R.S. § 20-291(G).

19 6. The conduct of Mora Insurance as set forth above in the Findings of Fact
20 does not constitute wilful conduct within the meaning of A.R.S. § 20-291(G) or a wilful
21 violation of A.R.S. § 20-316(A)(3).

22 7. The insurance license of a firm or corporation may be suspended,
23 revoked or refused also for any of such causes as relate to any individual designated in
24 the license to exercise its power pursuant to A.R.S. § 20-316(B).

25 8. The Director may suspend, revoke or refuse to renew the insurance
26 licenses of John D. Mora and Mora Insurance and impose a civil penalty upon them
27 pursuant to A.R.S. § 20-316(A), (B) and (C).
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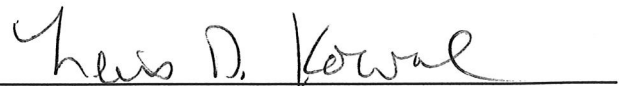
RECOMMENDED ORDER

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3 Based on the above, the undersigned Administrative Law Judge recommends
4 that:

5 1. All insurance licenses issued by the Arizona Department of
6 Insurance to John D. Mora be revoked effective immediately; and

7 2. Mora Insurance Investments, Inc. pay a civil penalty to the
8 Department of Insurance in the amount of Five Hundred Dollars (\$500.00) within sixty
9 (60) days of the effective date of the Order.

10 Done this day, September 13, 1996.

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14 **LEWIS D. KOWAL**
15 ADMINISTRATIVE LAW JUDGE

16 Original transmitted by mail, this 13
17 day of September, 1996, to:

18 John King, Director
19 Attn: Curvey Burton
20 Department of Insurance
21 2910 North 44th Street, #210
22 Phoenix, AZ 85018-7256

23 By: 

24 96A-093-INS
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