

DEC 5 1996

DEPT. OF INSURANCE  
BY CWB

STATE OF ARIZONA  
DEPARTMENT OF INSURANCE

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In the Matter of:	)	
<b>RUSSELL ELIOT BRANCH,</b>	)	Docket No. 96A-188
	)	<b>CONSENT ORDER</b>
Respondent.	)	

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A Notice of Hearing was issued by the Director ("Director") of the Arizona Department of Insurance (the "Department") on November 20, 1996, wherein the Department made certain allegations of violations of A.R.S. Title 20 committed by Respondent. Respondent received a copy of this Notice. Respondent has been advised of his right to a hearing in this matter, which he waives.

Respondent admits the following Findings of Fact are true and consents to the entry of the following Conclusions of Law and Order.

FINDINGS OF FACT

1. Russell Eliot Branch, is currently licensed as a life and disability agent (License No. 10401). That license is due to expire March 31, 1997.
2. On or about March 3, 1995, Mr. Branch submitted a renewal application for the life and disability license that he holds. Mr. Branch had previously renewed his license January 23, 1993.
3. Question F of the 1995 renewal application asks, "**ARE ANY** criminal, civil, administrative or other judicial or quasi-judicial proceedings of any kind currently pending against you IN ANY jurisdiction?". Mr. Branch answered "No".
4. On or about June 29, 1993, Mr. Branch was indicted in United States v. Christian M. Banes, Russell E. Branch and David Ciccone, No. CR93-22OPHX on

1 charges of conspiracy, mail fraud, wire fraud and interstate transportation of money  
2 in execution of a scheme to defraud.

3 5. On or about November 15, 1994, Mr. Branch entered into a plea  
4 agreement in the above referenced case. Mr. Branch pled guilty to one count of mail  
5 fraud, in violation of Title 18 U.S.C.A. §1341, a felony.

6 6. Mr. Branch was required to disclose the existence of the indictment  
7 and plea agreement in his 1995 renewal application.

8 7. On or about July 27, 1995, sentence was imposed upon Mr. Branch  
9 based on the plea agreement in CR93-220PHX. Mr. Branch was convicted of mail  
10 fraud, a felony involving moral turpitude, and sentenced to five years probation.  
11 Restitution was ordered in the amount of \$25,200.00.

12 CONCLUSIONS OF LAW

13 1. The Department has jurisdiction in this matter.

14 2. Respondent's conduct alleged above constitutes wilful  
15 misrepresentation of any fact required to be disclosed in any such application or  
16 accompanying statement within the meaning of A.R.S. § 20-291(G).

17 3. Respondent's conduct alleged above constitutes the existence of any  
18 cause for which original issuance or any renewal of the license could have been  
19 refused within the meaning of A.R.S. § 20-316(A)(1).

20 4. Respondent's conduct alleged above constitutes a record of  
21 dishonesty in business or financial matters in violation of A.R.S. § 20-316(A)(1)  
22 together with A.R.S. § 20-290(B)(2).

23 5. Respondent's conduct alleged above constitutes the wilful violation of,  
24 or wilful noncompliance with, any provision of this title, or any lawful rule, regulation  
25 or order of the director in violation of A.R.S. § 20-316(A)(2).

26 6. Respondent's conduct alleged above constitutes the existence of

1 misrepresentation or fraud in obtaining or attempting to obtain any insurance license  
2 in violation of A.R.S. § 20-316(A)(3).

3 7. Respondent's conduct alleged above constitutes a record of conviction  
4 by final judgment of a felony involving moral turpitude within the meaning of A.R.S.  
5 § 20-316(A)(6).

6 8. Grounds exist for the Director to suspend, revoke or refuse to renew  
7 Respondent's insurance licenses, impose a civil penalty upon Respondent, and/or  
8 order restitution, pursuant to A.R.S. § 20-316(A) and §20-316(C).

9 ORDER

10 NOW, THEREFORE, IT IS ORDERED:

- 11 1. Mr. Branch's insurance license is immediately revoked.  
12 2. The hearing set for December 17, at 9:00 a.m. is vacated by entry of  
13 this Order.

14 DATED at Phoenix, Arizona, this 4<sup>th</sup> day of December, 1996.

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17 \_\_\_\_\_  
18 JOHN KING, Director  
19 Arizona Department of Insurance

20 CONSENT TO ORDER

- 21 1. Branch has review the attached Order.  
22 2. Branch is aware of his right to a hearing at which hearing he may  
23 be represented by counsel, present evidence and cross-examine witnesses.  
24 Branch waives his right to demand a public hearing and to seek judicial review  
25 of this Consent Order.

26 3. Branch admits the jurisdiction of the Director of Insurance, State  
of Arizona, admits the forgoing Findings of Fact, consent to the entry of the  
foregoing Conclusions of Law and consents to the entry of this Order.



1           4.     Branch states that no promise of any kind or nature has been  
2 made to induce him to enter into this Order and that he has entered into this  
3 order voluntarily.

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

9  
10          Date Nov. 27, 1996

  
RUSSELL ELIOT BRANCH

11  
12  
13          COPY of the foregoing mailed  
14 this 5th day of December,  
1996, to:

15          Office of Administrative Hearings  
16          1700 West Washington  
17          Phoenix, AZ 85007

18          Kathryn Leonard  
19          Assistant Attorney General  
20          1275 West Washington, Room 259  
21          Phoenix, AZ 85007

22          Charles R. Cohen, Deputy Director  
23          John Gagne, Assistant Director  
24          Donna Futrell, Investigator  
25          Maureen Catalioto, Supervisor  
26          Department of Insurance  
2910 North 44th Street, Suite 210  
Phoenix, AZ 85018

Russell Eliot Branch  
2602 E. Marilyn Rd.  
Phoenix, AZ 85032

A courtesy copy of this Notice of Hearing has been mailed/delivered to the persons listed below. If you are listed below, you will receive no further notices or

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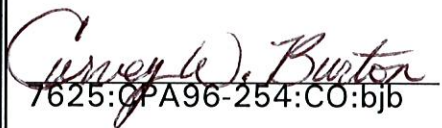
documents concerning this matter other than the Director's final order. Information about the status of this matter, including whether the hearings date has been changed, may be obtained by contacting the Department of Insurance at (602) 912-8454 or the Assistant Attorney General identified above, at (602) 542-7719.

Centennial Life Insurance Company  
P.O. Box 470  
Shawnee Mission, KS 66201

ITT Hartford Life & Annuity Insurance Company  
Hartford Plaza  
Hartford, CT 06115

FHP, Inc.  
P.O. Box 52078  
Phoenix, AZ 85072-9500

Central Reserve Life Insurance Company  
CRL Plaza,  
17800 Royalton Rd  
Strongsville, OH 44136

  
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