

DEC 30 1994

STATE OF ARIZONA

DEPARTMENT OF INSURANCE

DEPARTMENT OF INSURANCE
By RLC

In the Matter of) Docket No. 8523
)
KARI AULIS ROVALA, dba KDL)
INDUSTRIES, dba INSUREDS) ORDER
ADJUSTMENT COMPANY,)
)
Respondent.)
_____)

On November 28, November 29, and December 6, 1994, a hearing took place in the above-referenced matter. Assistant Attorney General Peter H. Schelstraete appeared on behalf of the Arizona Department of Insurance ("Department"). Respondent Kari Aulis Rovala, dba KDL Industries, dba Insureds Adjustment Company ("Mr. Rovala") appeared in propria persona.

Based upon the entire record in this matter, including all pleadings, motions, testimony, and exhibits admitted during the hearing of this matter, Administrative Law Judge Gregory Y. Harris has prepared the following Findings of Fact, Conclusions of Law, and Order for consideration and approval by the Director of the Arizona Department of Insurance (the "Director"). The Director adopts and enters the following Findings of Fact, Conclusions of Law and enters the following Order:

FINDINGS OF FACT

1. On September 27, 1993, Mr. Rovala submitted an application to obtain an adjuster license (the "Application"). In October 1993, the Director issued license number 18400 (the "License") to Mr. Rovala to transact business as an insurance adjuster in the State of Arizona.

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2. The License expired on October 31, 1994. Mr. Rovala filed an application to renew the License (the "Renewal Application") before October 31, 1994. This proceeding addressed only the allegations contained in the Notice of Hearing (the "Notice") issued in this matter on August 26, 1994. The Notice raised no issues concerning the Renewal Application. Any questions which may arise from Mr. Rovala's submission of the Renewal Application were neither pled, presented, or litigated in this proceeding. Thus, the resolution of this matter does not constitute an adjudication on the merits of the Renewal Application and is limited to the resolution of the following issues:

a) Whether the Application filed by Mr. Rovala provided a sufficient basis for the issuance of the License pursuant to A.R.S. §20-312(C). In relevant part, this statute prescribes that an applicant for the issuance of an adjuster license:

Be a full-time salaried employee of a licensed adjuster or a graduate of a recognized law school, or have had experience or special education or training with reference to the handling of loss claims under insurance contracts of sufficient duration and extent reasonably to make him competent to fulfill the responsibilities of an adjuster.

A.R.S. §20-312(C)(3).

b) Whether Mr. Rovala's failure to reveal in the Application the suspension of contractor licenses issued by the Arizona Registrar of Contractors constitutes fraud or misrepresentation in the application for an insurance license.

1 THE PROCESSING OF THE APPLICATION

2 3. Before September 24, 1993, Mr. Rovala obtained the
3 application form required to be submitted to seek the Director's
4 issuance of an adjuster license.

5 4. Mr. Rovala visited the Department on September 24,
6 1993 to obtain information related to his effort to obtain an
7 adjuster license. Mr. Rovala had a copy of the Application with
8 him during this visit. He also had a copy of a resume (the
9 "Resume") that he intended to attach to the documents he intended
10 to file as a part of his effort to obtain an adjuster license.

11 5. When Mr. Rovala visited the Department on Friday,
12 September 24, 1993, he spoke briefly with Robert Hagglund. On
13 that date, Mr. Hagglund worked as the unit supervisor for renewal
14 licenses in the Department's Licensing Section. Mr. Hagglund had
15 begun to work at the Department in August, 1993. Because he had
16 only recently begun to work for the Department, Mr. Hagglund had
17 not yet received authority to issue or to approve the issuance of
18 licenses to an individual seeking licensure as an adjuster.

19 6. In light of his inexperience in the review and
20 processing of an application for the issuance of an adjuster
21 license, Mr. Hagglund sought input and assistance from Mary
22 Showalter, the unit supervisor for new licenses in the
23 Department's Licensing Section.

24 7. Ms. Showalter and Mr. Hagglund spoke with Mr.
25 Rovala at the counter in the Licensing Section at the Department.
26 Mr. Rovala estimated that the portion of the conversation in which
27 Ms. Showalter participated lasted about 10 to 15 minutes. During
28 this meeting:

1 a. Ms. Showalter quoted the text of A.R.S.
2 §20-312(C) to Mr. Rovala concerning the qualifications specified
3 by the Legislature for the issuance of an adjuster's license.

4 b. Mr. Rovala asked Ms. Showalter questions about
5 the information contained in the Resume. Mr. Rovala verbally
6 provided some general information about his background and
7 qualifications to Mr. Hagglund and Ms. Showalter. Mr. Rovala did
8 not give any specific information to either Mr. Hagglund or Ms.
9 Showalter concerning the matters outlined in the Resume. During
10 this portion of the conversation, Ms. Showalter stated that the
11 information contained in the Resume lacked sufficient information
12 to demonstrate Mr. Rovala's qualifications for the issuance of an
13 adjuster license.

14 c. Mr. Rovala asked for, received, and completed
15 "DBA" forms to enable him to transact business pursuant to an
16 adjuster license under the assumed names of "KDL Industries" and
17 "Insureds Adjustment Company." Ms. Showalter notarized the two
18 forms.

19 8. Mr. Rovala left the Department on September 24,
20 1993, without filing the Application.

21 9. Between September 24, 1993, and September 27, 1993,
22 Mr. Rovala edited the Resume, completed and signed the Application
23 and was fingerprinted.

24 10. On September 27, 1993, Mr. Rovala returned to the
25 Department and filed the Application. The Application included a
26 preprinted application form which Mr. Rovala had completed and
27 signed and the one page Resume prepared by Mr. Rovala. When Mr.
28 Rovala filed the Application on September 27, 1993, he did not

1 speak with Mary Showalter. Instead, Mr. Rovala spoke only to Mr.
2 Hagglund. Thus, when Mr. Rovala filed the Application, he did
3 not discuss with Ms. Showalter the changes he had made to the
4 Resume after their meeting the previous Friday.

5 11. The Resume, which contained the only evidence
6 provided to the Department by Mr. Rovala of his experience and
7 qualifications to hold the License, contained the following
8 representations:

9 1988-1993 Owned and operated General Construction Company,
10 KDL Industries, doing 90% fire and water damage
11 restoration and reconstruction. In addition to
12 construction KDL Industries has done complete
13 contents restoration work since October 1991.

14 Specific tasks have included contents inventory,
15 scoping of damage with adjusters and owners,
16 reconstruction estimating, furniture restoration
17 estimating, contents cleaning and restoration
18 estimating, negotiating/discussing my scope and
19 estimate with adjusters, performing
20 reconstruction, cleaning, and restoration, and
21 inspection work.

22 1987-1988 Worked for Harvard Square Associates doing design
23 and construction management of commercial projects.

24 Specific tasks included structural engineering
25 design and calculations, coordination and
26 inspection of construction.

27 1986-1987 Attended ASU taking graduate courses in structural
28 engineering. Completed all course work for a
masters degree except never wrote thesis.

12. Mr. Hagglund processed the Application and
approved the issuance of the license to Mr. Rovala without
seeking or receiving input or assistance from Deloris Williamson
(the Assistant Director responsible for the Licensing Section),
Maureen Catalioto (the Supervisor of the Licensing Section), or
additional input or assistance from Ms. Showalter. Between

1 September 24, 1993 and the date he approved the issuance of the
2 License to Mr. Rovala, Mr. Hagglund had not been given the
3 authority and did not have the authority to approve the issuance
4 of an adjuster license. The License became effective on October
5 6, 1993.

6 13. Ms. Williamson wrote a letter dated November 9,
7 1993 (the "November 9 Letter") to Mr. Rovala. In the November 9
8 Letter, Ms. Williamson suggested that the License may have been
9 issued in error because questions existed about whether Mr.
10 Rovala possessed the qualifications required for the issuance of
11 an adjuster license. Ms. Williamson requested supplemental
12 information from Mr. Rovala to help resolve the questions
13 surrounding whether the License had been properly issued.

14 14. Mr. Rovala responded to the November 9 Letter. In
15 a letter dated November 12, 1993 (the "November 12 Letter"), Mr.
16 Rovala wrote that an employee of the Department, later identified
17 as a Mary Showalter, had "told me she felt that my experience was
18 ok and that there should not be any problems."

19 15. In a letter dated December 14, 1993, Mr. Rovala
20 wrote to Ron Ward (who worked at that time as an investigator for
21 the Department). In this letter, Mr. Rovala wrote:

22 When I submitted my application for the adjusters
23 license I spoke to lady at the counter on the second
24 floor who was said to review and approve applications.
25 She reviewed my application and said that the
26 experience I had was sufficient. Included is a copy of
27 the resume submitted with the application. Much of my
28 'special education' has come from reviewing claims and
the coorespondence (sic) associated with them as sent
to me by Brown O'Haver. On numerous jobs on which KDL
was the contractor and Brown O'Haver the public
adjuster Mr. Young would send me copies of
coorespondence (sic), inventories, estimates,
adjustments, etc. If there was a problem in an insured

1 receiving a prompt and fair settlement from their
2 insurer KDL would recommend they contact David Young of
3 Brown O'Haver.

4 16. Ms. Williamson, Ms. Catalioto, and Ms. Showalter
5 testified that:

6 a. The License had erroneously been issued to
7 Mr. Rovala.

8 b. The Application submitted by Mr. Rovala
9 lacked proof that he possessed the requisite qualifications for
10 the issuance of the License, the absence of which stemmed from
11 Mr. Rovala's failure to demonstrate that he possessed the
12 "experience or special education or training with reference to
13 the handling of loss claims under insurance contracts of
14 sufficient duration and extent reasonably to make him competent
15 to fulfill the responsibilities of an adjuster." A.R.S.
16 §20-312(C)(3).

17 c. Mr. Hagglund lacked the authority to issue
18 the License to Mr. Rovala.

19 d. Mr. Hagglund erred in approving the issuance
20 of the License because Mr. Rovala did not present proof of his
21 qualification for the issuance of the License as prescribed by
22 A.R.S. §20-312(C)(3).

23 e. Very promptly after questions had been raised
24 about the issuance of the License, Mr. Rovala had been contacted
25 and asked to present additional evidence of his qualifications
26 for the License.

27 17. The Application did not reveal that Mr. Rovala had
28 ever worked as a full time employee of a licensed adjuster. Mr.

1 Rovala testified that he has never worked as a full time employee
2 of a licensed adjuster.

3 18. The Application did not reveal that Mr. Rovala had
4 ever attended a specialized training course directed to the
5 duties and responsibilities of an adjuster. Mr. Rovala testified
6 that he has not attended a specialized training course directed
7 to the duties and responsibilities of an adjuster.

8 19. The Application did not reveal that Mr. Rovala had
9 ever attended or graduated from a recognized law school. Mr.
10 Rovala testified that he has not attended or graduated from a
11 recognized law school.

12 20. The Application did not reveal that Mr. Rovala
13 "had experience or special education or training with reference
14 to the handling of loss claims under insurance contracts of
15 sufficient duration and extent reasonably to make him competent
16 to fulfill the responsibilities of an adjuster." In contrast to
17 the limited evidence he presented in the Application, during the
18 hearing Mr. Rovala presented additional information beyond that
19 which he included in the Application. However, this proceeding
20 focused upon whether, through the Application, Mr. Rovala
21 presented sufficient proof to have been issued an adjuster
22 license. Therefore, no conclusions can be reached about the
23 significance of this additional information, which included the
24 following:

25 a. Since 1988, Mr. Rovala has worked as a
26 contractor, which included "restoration contracting." Mr. Rovala
27 said that restoration contracting involved the performance or
28 oversight of repair projects on structures and contents damaged

1 or destroyed by a variety or combination of perils, including
2 fire and storm. The work included cleaning, salvage, repair,
3 replacement of personal property, as well as structures.

4 b. A portion of the restoration contracting work
5 he has performed brought him into contact with customers who had
6 insurance coverage on property to be repaired or restored. Mr.
7 Rovala's performance of restoration work also brought him into
8 contact with representatives of insurers, and with adjusters
9 retained by insurers and insureds.

10 c. A portion of his contacts with
11 representatives of insurers and adjusters centered upon questions
12 arising out of the restoration work which he contracted to
13 perform. These questions addressed such issues as the work to be
14 performed, the cost to perform the work, and the extent to which
15 competing estimates adequately addressed the needs of a project.
16 At times, adjusters have asked Mr. Rovala to participate in
17 meetings with representatives of the insured and insurer to
18 attempt to resolve questions relating to the damages to be
19 repaired, a determination bearing on the ultimate settlement of a
20 claim. Mr. Rovala's presence at these meetings, coupled with his
21 familiarity with a restoration project and as a contractor,
22 served to enable the parties to fully discuss the scope and
23 extent of the claim giving rise to the repair work to be
24 performed.

25 d. The depth of his experience as a restoration
26 contractor provided him with exposure to the field of adjusting.

27 21. Mr. Rovala points to his experience as a
28 contractor, and particularly his experience as a restoration

1 contractor, as proof of his satisfaction of the statutory
2 requirements for the issuance of an adjuster license.

3 22. Mr. Rovala testified that his training concerning
4 the handling of loss claims under insurance contracts did not
5 come from any one individual. Mr. Rovala named six adjusters
6 with whom he has associated and from whom he claims to have
7 accumulated knowledge resulting in his receipt of training in the
8 field. However, Mr. Rovala's Application did not identify any of
9 these individuals, any of the projects on which he worked with
10 these individuals, the tasks he performed, or the relationship of
11 these tasks to the handling of loss claims under insurance
12 contracts. In addition, Mr. Rovala testified that he did not
13 reveal to these adjusters, at a time contemporaneous to the
14 performance of their respective tasks, that he treated the
15 performance of their respective tasks as training in the handling
16 of loss claims under an insurance contract. Further, Mr. Rovala
17 could not state that he had been informed of all factors
18 necessary for the proper handling or processing of the claim
19 other than those factors related to the contracting work
20 performed to be performed by Mr. Rovala. Thus, the Application
21 did not contain sufficient information to enable the Department
22 to evaluate Mr. Rovala's claimed training.

23 23. Mr. Rovala also testified that the experience
24 which qualified him for licensure as an adjuster stemmed from his
25 work as a reconstruction contractor. Mr. Rovala testified that
26 four adjusters have knowledge of the experience that qualifies
27 him for licensure as an adjuster. In the Application, Mr. Rovala
28 did not identify any of these individuals, any of the projects on

1 which he worked with these individuals, the tasks he performed,
2 or the relationship of these tasks to the handling of loss claims
3 under insurance contracts. In addition, Mr. Rovala testified
4 that he did not reveal to these adjusters, at a time
5 contemporaneous to the performance of their respective tasks,
6 that he treated the performance of their respective tasks as
7 experience in the handling of loss claims under an insurance
8 contract. Further, Mr. Rovala could not state that he had been
9 informed of all factors necessary for the proper handling or
10 processing of the claim other than those factors related to the
11 contracting work performed by Mr. Rovala. Thus, the Application
12 did not contain sufficient information to enable the Department
13 to evaluate Mr. Rovala's claimed experience.

14 MR. ROVALA'S ANSWER TO QUESTION 6 OF THE APPLICATION

15 24. On May 13, 1985, the Arizona Registrar of
16 Contractors (the "Registrar") issued Class B. Residential General
17 Building Contractor License #62706 to Mr. Rovala dba K D L
18 Industries, a sole proprietorship ("License #62706").

19 25. From June 30, 1993 until July 2, 1993, the
20 Registrar suspended License #62706, stemming from allegations
21 involving substandard contracting litigated in case #93-0387.

22 26. From May 1, 1993 until July 19, 1993, the
23 Registrar suspended License #62706 for non-renewal.

24 27. On April 27, 1988, the Registrar issued Class B-1
25 General Commercial Contractor license #77842 to Mr. Rovala dba
26 K D L Industries, a sole proprietorship ("License #62706").

27 28. From April 1, 1993 through April 6, 1993, the
28 Registrar suspended License #77842, a Class B-1 General

1 Commercial Contractor's license issued to Mr. Rovala ("License
2 #77842"), for non-renewal.

3 29. Section E, question 6 of the Application
4 ("Question 6") contains the following question: "Have you ever
5 had an insurance, securities, or other license by a public
6 authority of any jurisdiction suspended or revoked?" In response
7 to this question, Mr. Rovala answered "No". Thus, in the
8 Application, Mr. Rovala did not reveal the suspensions entered by
9 the Registrar against either License #62706 or License #77874.

10 30. Mr. Rovala offered the following explanation of
11 his answer to Question 6:

12 a. Although he currently understands the meaning
13 of Question 6, when he completed the Application, he
14 misunderstood Question 6.

15 b. When he completed the Application, he
16 understood that a suspension entered by the Registrar against a
17 contractor license fell within the scope of Question 6.

18 c. When he completed the Application, he
19 understood that the June 30, 1993 suspension of License #62706
20 constituted a suspension about which Question 6 sought
21 information.

22 d. During his September 24, 1993 meeting with
23 Ms. Showalter and Mr. Hagglund, Mr. Rovala asked how to answer
24 Question 6.

25 e. He told Ms. Showalter that the Registrar had
26 suspended a contractor license that he held, but did not give her
27 any details about the underlying basis for the suspension. In
28

1 response to this information, Ms. Showalter asked only if the
2 suspension continued to be in effect.

3 f. Ms. Showalter told him that if the suspension
4 were no longer in effect, he could answer "No" to Question 6.

5 31. Ms. Showalter denied having told Mr. Rovala that
6 he could answer "No" to Question 6.

7 32. Mr. Rovala testified that he filled out the
8 Application in a hurry. He testified that his haste caused him
9 to make a number of mistakes in the Application. These mistakes
10 included the omission of a construction related job which Mr.
11 Rovala held within the time frame falling within the scope of the
12 question contained in Section E of the Application. In addition,
13 Mr. Rovala indicated that he had failed to disclose that his
14 driver's license had been suspended. Significantly, Mr. Rovala
15 testified that this suspension stemmed from his failure to appear
16 in court to answer charges that he failed to produce proof of
17 liability insurance coverage when stopped by a highway patrol
18 officer.

19 33. Based upon the very short conference between Mr.
20 Rovala and Ms. Showalter during the September 24 meeting, and the
21 lack of detailed information given to Ms. Showalter, the evidence
22 supports the conclusion that Mr. Rovala did not receive advice
23 from Ms. Showalter to falsify the Application and to withhold
24 facts concerning the Registrar's suspensions of Licenses #62707
25 and #77842.

26 DISCUSSION

27 1. The Legislature vested the Director with the
28 discretion to determine the qualifications of an applicant for

1 the issuance of an insurance license or for a licensee to
2 maintain an insurance license. A.R.S. §20-290(B); see A.R.S.
3 §§20-316(A), 20-316(C) (authorizing the Director to suspend,
4 revoke, or refuse to renew a license or to impose civil penalties
5 against the holder of an insurance license for violations of
6 Title 20).

7 2. For the Director to exercise this discretion,
8 applicants for the issuance of a license must submit an
9 application to the Director. A.R.S. §20-291. When reviewing an
10 application, the Director must consider:

11 a. Whether the applicant meets the qualifications
12 prescribed by the Legislature for the issuance of the license.

13 b. The applicant's identity, personal history,
14 business record, experience in insurance, the purpose for which
15 the license is to be used, and "other pertinent facts the
16 Director requires." A.R.S. §20-291(A).

17 c. Whether the applicant has been previously
18 licensed to transact any kind of insurance in this state or
19 elsewhere. A.R.S. §20-291(B)(1).

20 d. Whether the applicant has previously had a
21 license refused, suspended or revoked. A.R.S. §20-291(B)(2).

22 e. Whether an insurer or general agent claims the
23 applicant is indebted to it. A.R.S. §20-291(B)(3).

24 f. Whether the applicant ever had an agency
25 contract cancelled. A.R.S. §20-291(B)(4).

26 g. Whether the applicant received a passing score
27 on the required licensing examination. A.R.S. §20-291(B)(5).

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1 3. After considering these factors, the Director may
2 refuse to accept an application or refuse to issue or renew a
3 license if these or other factors exist that draw into question
4 the applicant's qualifications for license, including a material
5 misrepresentation or fraud in the application for, or attempt to
6 obtain or renew an insurance license. A.R.S. §20-290(B)(1);
7 see A.R.S. §20-316(A)(3).

8 4. Applicants for the issuance or renewal of an
9 insurance license must truthfully, fully, and adequately disclose
10 information on a license or renewal application. A.R.S.
11 §20-316(A)(2). If an applicant for the issuance or renewal of an
12 insurance license fails to disclose background information which
13 falls within the scope of A.R.S. §§20-290(B), 20-291(A) and
14 20-291(B), the non-disclosure serves to hamper, thwart, or
15 prevent the Director from the exercise and discharge of the duty
16 delegated by the Legislature.

17 5. Mr. Rovala places great weight upon his experience
18 as a contractor to justify his licensure as an adjuster. Yet,
19 Mr. Rovala withheld information from the Director about the
20 discipline imposed by the Registrar against licenses held by Mr.
21 Rovala. Mr. Rovala's failure to fully and truthfully reveal full
22 information about his contractor licenses raises the question
23 whether he can be expected to be honest in transactions entered
24 into under the License.

25 6. Mr. Rovala's submission of the Application, which
26 failed to disclose material information, constitutes a material
27 misrepresentation made in connection with an application to
28 obtain or renew an insurance license. A.R.S. §20-316(A)(3).

1 7. The material misrepresentation made by Mr. Rovala
2 supports the conclusion that a sanction should be imposed.

3 8. When he submitted the Application, Mr. Rovala had
4 the burden to demonstrate whether he possessed the qualifications
5 pursuant to A.R.S. §20-312(C) for the issuance of an adjuster
6 license. The Application did not reveal that Mr. Rovala had
7 graduated from a recognized law school or worked as a full-time
8 employee of a licensed adjuster. Further, the information
9 presented by Mr. Rovala lacked substance or detail to enable the
10 Director to carry out an appropriate exercise of discretion about
11 whether Mr. Rovala had sufficient "experience or special
12 education or training with reference to handling of loss claims
13 under insurance contracts of sufficient duration and extent
14 reasonably to make him competent to fulfill the responsibilities
15 an an adjuster". A.R.S. §20-312(C)(3).

16 9. Nothing in this Order shall be construed as a
17 determination of whether Mr. Rovala meets (or fails to meet) the
18 statutory requirements for the issuance of an adjuster license.
19 The issues litigated in this proceeding and decided by this Order
20 did not address that question, but instead addressed the question
21 of whether, when the Department issued the License, the
22 Application presented by Mr. Rovala contained sufficient
23 information to qualify him for the issuance of a license. At any
24 time after the effective date of this Order, Mr. Rovala may seek
25 the issuance of an adjuster license, at which time, Mr. Rovala
26 may present evidence of whether he possesses the qualifications
27 prescribed by A.R.S. §20-312(C).

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1 10. The evidence supports the conclusion that the
2 Department issued the License to Mr. Rovala in error. The
3 individual who approved the issuance of the the License lacked
4 the authority to approve its issuance. When he first brought the
5 partially completed application documents to the Department on
6 Friday, September 24, 1993, the man with whom Mr. Rovala dealt
7 could not answer questions about the adjuster application process
8 because, as he informed Mr. Rovala, he had recently begun working
9 for the Department and could not answer Mr. Rovala's questions.
10 This man called for and received assistance from a more
11 experienced employee of the Department. Yet, on the following
12 Monday, Mr. Rovala dealt only with this man, and not the new
13 licenses supervisor. Within a very short time following the
14 issuance of the license, the Department took steps to correct the
15 mistake. These steps included letters and phone calls with Mr.
16 Rovala within a matter of weeks following the issuance of the
17 license, to secure sufficient information necessary to determine
18 if a mistake had been made.

19 CONCLUSIONS OF LAW

20 1. When he filed the Application with the Department
21 for the issuance of the License, Mr. Rovala did not present proof
22 that he possessed the qualifications prescribed for the issuance
23 of a license.

24 2. Mr. Rovala's failure to present proof of his
25 qualifications for the issuance of the License when he filed the
26 application constitutes cause for which original issuance of the
27 License could have been denied. A.R.S. §20-316(A)(1).
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3. Mr. Rovala failed to provide the Department with sufficient information to enable the Department to lawfully and properly issue the License to Mr. Rovala. The individual who approved the issuance of the License to Mr. Rovala did not have the authority to approve its issuance, and had not been provided with sufficient proof to lawfully or properly issue the license to Mr. Rovala. Under these facts, the Department has the authority to correct errors which occur in the course of reviewing, processing, and approving applications for the issuance of insurance licenses. Outdoor Systems, Inc. v. Department of Transportation, 171 Ariz. 263, 830 P.2d 475 (App. 1992).

4. Mr. Rovala's failure to disclose the discipline imposed against contractors Licenses #62706 and #77842 within six months of his application for an adjuster license constitutes a misrepresentation or fraud in obtaining or attempting to obtain an insurance license. A.R.S. §20-316(A)(3).

ORDER


IT IS ORDERED:

- 1. License #18400 is suspended effective immediately.
- 2. License #18400 shall not be renewed when it next expires.

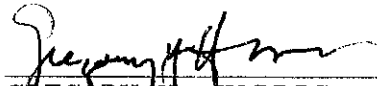
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1 3. At any time after the effective date of this
2 Order, Mr. Rovala may reapply for the issuance of an insurance
3 license.

4 EFFECTIVE this 30th day of December, 1994.

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7 CHRIS HERSTAM
8 Director of Insurance

9 

10 GREGORY W. HARRIS
11 Chief Administrative Law Judge

12 NOTIFICATION OF RIGHTS

13 The aggrieved party may request a rehearing with
14 respect to this Order by filing a written petition with the
15 Administrative Law Division within 30 days of the date of this
16 Order, setting forth the basis for such relief pursuant to A.A.C.
17 R4-14-114(B).

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

21
22 COPY of the foregoing mailed/delivered
23 this 30th day of December, 1994, to:

24 Gay Ann Williams, Deputy Director
25 Charles R. Cohen, Executive Assistant Director
26 John Gagne, Acting Manager, Investigations
27 Maureen Catalioto, Supervisor, Licensing
28 Department of Insurance
2910 N. 44th Street, Suite 210
Phoenix, Arizona 85018

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