

FEB 1 2011

DEPT OF INSURANCE
BY 

STATE OF ARIZONA
DEPARTMENT OF INSURANCE

In the Matter of:

CABEZA-DEBACA, MELISSA ANNE

Respondent.

No. 10A-010-INS

**FINDINGS OF FACT, CONCLUSIONS OF
LAW, AND ORDER**

On December 27, 2010, the Arizona Department of Insurance ("Department") issued a Notice of Hearing ("Notice") in the above-captioned matter. A copy of the Notice is attached and incorporated by this reference. The Notice required Respondent to provide a written answer to the allegations set forth in the Notice within twenty (20) days of the issuance. The twenty (20) day deadline for the filing of Respondent's answer to the Notice elapsed on January 17, 2011. As of this date, Respondent has failed to file an answer to the Notice. On January 25, 2011, counsel for the Department filed a Request for Default. As of this date Respondent has not responded to the Department's request. 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.

CONCLUSIONS OF LAW

4. Respondent's conduct, as described above, constitutes violating any provision of Title 20, or any rule, subpoena, or order of the Director, within the meaning of A.R.S. §§ 20-295(A)(2).

1 5. Respondent's conduct, as described above, constitutes a violation of the
2 requirement that the licensee shall inform the Director in writing within thirty days of any
3 change in the licensee's residential or business address, within the meaning of A.R.S. § 20-
4 286(C)(1).

5 6. Respondent's conduct, as described above, constitutes a violation of the
6 requirement that within thirty days after the final disposition of the matter, the producer shall
7 report to the Director any administrative action taken against the producer in another
8 jurisdiction or by another government agency in this state, within the meaning of A.R.S. §
9 20-301(A).

10 7. Respondent's conduct, as described above, constitutes a violation of the
11 requirement that within thirty days after the initial pretrial hearing date, an insurance
12 producer shall report to the director any criminal prosecution of the producer taken in any
13 jurisdiction, within the meaning of A.R.S. § 20-301(B).

14 8. Respondent's conduct, as alleged above, constitutes having been convicted
15 of a felony pursuant to A.R.S. § 20-295(A)(6).

16 9. Respondent's conduct, as alleged above, constitutes having an insurance
17 producer license, or its equivalent, denied, suspended or revoked in any state, province,
18 district or territory, . pursuant to A.R.S. § 20-295(A)(9).

19 10. Grounds exist to revoke Cabeza-Debaca's insurance license, pursuant to
20 A.R.S. §§ 20-295(A)(2), (6) and (9).

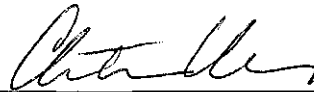
21 ORDER

22 1. Respondent's insurance producer license is revoked, effective upon the
23 issuance of this Order.

24 2. The hearing set for February 9, 2011, at 1:00 p.m. before Administrative Law
25 Judge, Lewis Kowal shall be vacated.

26 ...

1 DATED this 1ST day of February, 2011.

2
3 

4 CHRISTINA URIAS, Director
5 Arizona Department of Insurance

6 COPY of the foregoing mailed this
7 1st day of February, 2011 to:

8 Lewis Kowal, Administrative Law Judge
9 Office of Administrative Hearings
10 1400 West Washington, Suite 101
11 Phoenix, Arizona 85007

12 Liane C. Kido
13 Assistant Attorney General
14 1275 West Washington, Suite 101
15 Phoenix, Arizona 85007

16 Mary Kosinski, Executive Assistant for Regulatory Affairs
17 Steven Fromholtz, Licensing Director
18 Arizona Department of Insurance
19 2910 North 44th Street, Suite 210
20 Phoenix, Arizona 85018

21 Melissa Anne Cabeza-Debaca
22 2405 Northern Avenue
23 Kingman, AZ 86401
24 Respondent

25 Melissa Anne Cabeza-Debaca
26 P.O. Box 6001
Kingman, AZ 86402-6001
Respondent

Melissa Anne Cabeza-Debaca
2803 Western Avenue
Kingman, AZ 86401
Respondent

25 
26 1533278

PAD / CPA

DEC 28 2010

RECEIVED

STATE OF ARIZONA
FILED

DEC 27 2010

DEPT OF INSURANCE
BY CLB

STATE OF ARIZONA

DEPARTMENT OF INSURANCE

In the Matter of:

CABEZA-DEBACA, MELISSA ANNE

Respondent.

No. 10A-010-INS

NOTICE OF HEARING

(ALJ Lewis Kowal)

PLEASE TAKE NOTICE that pursuant to the provisions of Arizona Revised Statutes ("A.R.S.") §§ 20-161 through and including 20-165 and 41-1092 *et seq.*, the above-captioned matter will be heard before the Director of Insurance of the State of Arizona (the "Director") or her duly designated representative, on February 9, 2011, at 1:00 p.m. at the Office of Administrative Hearings, 1400 West Washington Street, Suite 101, Phoenix, Arizona 85007, telephone number 602-542-9826, (the "Hearing").

Motions to continue this matter shall be made in writing to the Administrative Law Judge not less than fifteen (15) days prior to the date set for the hearing. A copy of any motion to continue shall be mailed or hand-delivered to the opposing party on the same date of filing with the Office of Administrative Hearings.

A.R.S. § 20-164(B) entitles any person affected by this Hearing to appear in person and by counsel, to be present during the giving of all evidence, to have a reasonable opportunity to inspect all documentary evidence, to examine witnesses, to present supporting evidence in support of his interests, and to have subpoenas issued by the Administrative Law Judge to compel attendance of witnesses and production of evidence.

If Respondent is represented by counsel, the attorney shall be licensed to practice law in the State of Arizona or, if applicant is an insurer, it may be represented by a corporate officer, pursuant to A.R.S. § 20-161(B). Pursuant to A.R.S. § 41-1092.07(E), a clear and accurate record of the proceedings will be made by a court reporter or by

1 electronic means. Any party that requests a transcript of the proceeding shall pay the cost
2 of the transcript to the court reporter or other transcriber.

3 Questions concerning issues raised in this Notice of Hearing should be directed to
4 Assistant Attorney General Liane C. Kido, telephone number (602) 542-8011, 1275 West
5 Washington Street, Phoenix, Arizona 85007-2926, liane.kido@azag.gov.

6 NOTICE OF APPLICABLE RULES

7 On January 23, 1992, the Arizona Department of Insurance ("Department") adopted
8 A.A.C. R20-6-101 through R20-6-115, setting forth the rules of practice and procedure
9 applicable in contested cases before the Director of Insurance. The hearing will be
10 conducted pursuant to these rules.

11 Pursuant to A.A.C. R20-6-106, RESPONDENT SHALL FILE A WRITTEN ANSWER
12 WITHIN 20 DAYS AFTER ISSUANCE OF THIS NOTICE OF HEARING AND SHALL MAIL
13 OR DELIVER A COPY OF THE ANSWER TO THE ASSISTANT ATTORNEY GENERAL
14 DESIGNATED ABOVE. The Answer shall state Respondent's position or defense and
15 shall specifically admit or deny each assertion in the notice of hearing. Any assertion not
16 denied shall be deemed to be admitted. Any defense not raised in the Answer shall be
17 deemed waived. If an Answer is not timely filed, Respondent shall be deemed in default
18 and the Director may deem the allegations are true, and take whatever action is
19 appropriate, including suspension, revocation, denial of a license, or renewal of a license,
20 imposition of a civil penalty and/or order restitution to any party injured.

21 Persons with disabilities may request reasonable accommodations such as
22 interpreters, alternative formats, or assistance with physical accessibility. Requests for
23 accommodations should be made as early as possible to allow time to arrange the
24 accommodations. If you require accommodations, please contact the Office of
25 Administrative Hearings at (602) 542-9826.

26 ...

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

2 1. Melissa Anne Cabeza-Debaca ("Cabeza-Debaca") is, and was at all material
3 times, licensed as an Arizona resident casualty, life, accident and health, property and
4 variable life/variable annuities producer, license number 875162, which expired on June 30,
5 2010. Cabeza-Debaca's address of record is 2405 Northern Avenue, Kingman, Arizona
6 86401. Her mailing address of record is P.O. Box 6001, Kingman, Arizona 86401.

7 2. During the Department's investigation of the FINRA matter described below,
8 the Department wrote letters to Cabeza-Debaca at her business and mailing addresses of
9 record requesting further explanation and information. These letters were returned to the
10 Department by the U.S. Postal Service marked: "Return to sender, not deliverable as
11 addressed, unable to forward".

12 3. To date, Respondent has failed to notify the Department of her current
13 business and mailing addresses.

14 Felony Conviction

15 4. On or about April 23, 2009, in *State of Arizona v Melissa Anne Cabeza-*
16 *Debaca, aka Melissa Anne Lucio*, in the Superior Court of the State of Arizona, County of
17 Mojave, No. CR-20088-1440 (the "Cabeza-Debaca criminal case"), the State of Arizona
18 and Defendant Cabeza-Debaca entered into a stipulated guilty plea. Cabeza-Debaca pled
19 guilty to: Theft of Means of Transportation, a class 3 felony

20 5. On or about May 29, 2009, the court entered a judgment in the Cabeza-
21 Debaca criminal case finding Cabeza-Debaca guilty of Count 1, Theft of Means of
22 Transportation, a non-dangerous, non-repetitive, class 3 felony, in violation of A.R.S. §§ 13-
23 1814, 13-701 and 13-801.

24 6. Respondent did not notify the Department of the Cabeza-Debaca criminal
25 case.

26 ...

Barring and Suspension from Financial Industry Regulatory Authority

1
2 7. Respondent is licensed as a variable life/variable annuities producer.
3 Variable life and variable annuity products are both an insurance product and a securities
4 investment product. Agents selling them must be licensed by both the Department of
5 Insurance and the Arizona Corporation Commission's Securities Division.

6 8. On or about September 8, 2009, the Financial Industry Regulatory Authority
7 ("FINRA") barred Cabeza-Debaca from association with any FINRA member in any
8 capacity in case CRD# 5181085 pursuant to FINRA rule 9552(H) and in accordance with
9 the intent to suspend and notice of suspension letters to Respondent dated March 3, 2009
10 and March 27, 2009.

11 9. Respondent failed to notify the Department of the FINRA action.

Conclusions of Law

12
13 10. Respondent's conduct, as described above, constitutes violating any provision
14 of Title 20, or any rule, subpoena, or order of the Director, within the meaning of A.R.S. §§
15 20-295(A)(2).

16 11. Respondent's conduct, as described above, constitutes a violation of the
17 requirement that the licensee shall inform the Director in writing within thirty days of any
18 change in the licensee's residential or business address, within the meaning of A.R.S. § 20-
19 286(C)(1).

20 12. Respondent's conduct, as described above, constitutes a violation of the
21 requirement that within thirty days after the final disposition of the matter, the producer shall
22 report to the Director any administrative action taken against the producer in another
23 jurisdiction or by another government agency in this state, within the meaning of A.R.S. §
24 20-301(A).

25 13. Respondent's conduct, as described above, constitutes a violation of the
26 requirement that within thirty days after the initial pretrial hearing date, an insurance

1 producer shall report to the director any criminal prosecution of the producer taken in any
2 jurisdiction, within the meaning of A.R.S. § 20-301(B).

3 14. Respondent's conduct, as alleged above, constitutes having been convicted
4 of a felony pursuant to A.R.S. § 20-295(A)(6).

5 15. Respondent's conduct, as alleged above, constitutes having an insurance
6 producer license, or its equivalent, denied, suspended or revoked in any state, province,
7 district or territory, pursuant to A.R.S. § 20-295(A)(9).

8 16. Grounds exist to revoke Cabeza-Debaca's insurance license, pursuant to
9 A.R.S. §§ 20-295(A)(2), (6) and (9).

10 17. WHEREFORE, if after hearing, the Director finds one or more of the above-
11 described grounds alleged above, the Director may deny, suspend or revoke Respondent's
12 insurance producer's license, and/or impose a civil penalty or order restitution, pursuant to
13 A.R.S. § 20-295(A) and (F).

14 Pursuant to A.R.S. § 20-150, the Director of Insurance delegates the authority
15 vested in the Director of Insurance of the State of Arizona, to the Director of the Office of
16 Administrative Hearings or his designee to preside over the hearing of this matter as the
17 Administrative Law Judge, to make written recommendations to the Director of Insurance
18 consisting of proposed findings of fact, proposed conclusions of law, and a proposed order.
19 This delegation does not include delegation of the authority of the Director of Insurance to
20 make the order on hearing or other final decision in this matter.

21 ...

22 ...

23 ...

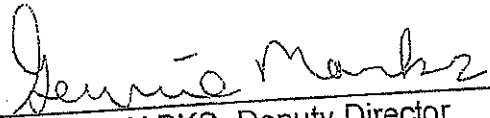
24 ...

25 ...

26 ...

1 Pursuant to A.R.S. § 41-1092.01, your hearing will be conducted through the Office
2 of Administrative Hearings, an independent agency. Please find enclosed a copy of the
3 procedures to be followed. Further hearing information may also be found at the Office of
4 Administrative Hearings website: www.azoah.com.

5 DATED this 22nd day of December, 2010.

6
7 
8 GERRIE MARKS, Deputy Director
9 Arizona Department of Insurance

10 COPY of the foregoing mailed this
11 27th day of December, 2010 to:

12 Lewis Kowal, Administrative Law Judge
13 Office of Administrative Hearings
14 1400 West Washington, Suite 101
15 Phoenix, Arizona 85007

16 Mary Kosinski, Executive Assistant for Regulatory Affairs
17 Steve Fromholtz, Licensing Supervisor
18 Dan Ray, Investigator
19 Arizona Department of Insurance
20 2910 North 44th Street, Suite 210
21 Phoenix, Arizona 85018

22 Liane C. Kido
23 Assistant Attorney General
24 1275 West Washington Street
25 Phoenix, Arizona 85007
26 Attorneys for the Arizona Department of Insurance

27 Melissa Anne Cabeza-Debaca
28 2405 Northern Avenue
29 Kingman, AZ 86401
30 Petitioner

31 Melissa Anne Cabeza-Debaca
32 P.O. Box 6001
33 Kingman, AZ 86402-6001
34 Petitioner

1 Melissa Anne Cabeza-Debaca
2 2803 Western Avenue
3 Kingman, AZ 86401
4 Petitioner

5 AND COPY MAILED SAME DATE by
6 Certified Mail, Return Receipt Requested, to:

7 Melissa Anne Cabeza-Debaca
8 2405 Northern Avenue
9 Kingman, AZ 86401
10 Petitioner

11 Melissa Anne Cabeza-Debaca
12 P.O. Box 6001
13 Kingman, AZ 86402-6001
14 Petitioner

15 Melissa Anne Cabeza-Debaca
16 2803 Western Avenue
17 Kingman, AZ 86401
18 Petitioner

19 *Curvey Buxton*
20 1431737

PLACE STICKER ABOVE ENVELOPE TO THE RIGHT
OF THE RETURN ADDRESS FOLD AT DOTTED LINE
CERTIFIED MAIL



7008 0150 0002 7596 1766

PLACE STICKER ABOVE ENVELOPE TO THE RIGHT
OF THE RETURN ADDRESS FOLD AT DOTTED LINE
CERTIFIED MAIL



7008 0150 0002 7596 1773

PLACE STICKER ABOVE ENVELOPE TO THE RIGHT
OF THE RETURN ADDRESS FOLD AT DOTTED LINE
CERTIFIED MAIL



7008 0150 0002 7596 1780

21
22
23
24
25
26