

MAY 3 2011

DEPT OF INSURANCE
BY 

STATE OF ARIZONA
DEPARTMENT OF INSURANCE

In the Matter of:

HI-TOPS IG, INC.
(Arizona License No. 959468)

No. 11A-008-INS

ORDER

Respondent.

On April 29, 2011, the Office of Administrative Hearings, through Administrative Law Judge ("ALJ") Lewis D. Kowal, issued an Administrative Law Judge Decision ("Recommended Decision"), received by the Director of the Department of Insurance ("Director") on May 3, 2011, a copy of which is attached and incorporated by this reference. The Director of the Department of Insurance has reviewed the Recommended Decision and enters the following Order:

1. The Director adopts the Recommended Findings of Fact and Conclusions of Law of the Recommended Decision.
2. The Director revokes Respondent's Arizona producer's license, effective immediately.

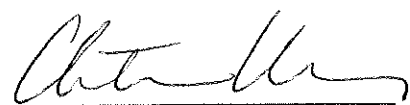
NOTIFICATION OF RIGHTS

Pursuant to Arizona Revised Statutes ("A.R.S.") § 41-1092.09, Respondent may request a rehearing with respect to this order by filing a written motion with the Director of the Department of Insurance within 30 days of the date of this Order, setting forth the basis for relief under A.A.C. R20-6-114(B). Pursuant to A.R.S. § 41-1092.09, it is not necessary to request a rehearing before filing an appeal to Superior Court.

Respondent may appeal the final decision of the Director to the Superior Court of Maricopa County for judicial review pursuant to A.R.S. § 20-166. A party filing an appeal

1 must notify the Office of Administrative Hearings of the appeal within ten days after filing
2 the complaint commencing the appeal, pursuant to A.R.S. § 12-904(B).

3 DATED this 3rd day of May, 2011.

4
5 
6 CHRISTINA URIAS, Director
7 Arizona Department of Insurance

8 COPY of the foregoing mailed this
9 3rd day of May, 2011 to:


10 Office of Administrative Hearings
11 1400 West Washington, Suite 101
12 Phoenix, Arizona 85007

13 Mary Butterfield, Assistant Director
14 Mary Kosinski, Exec. Asst. for Regulatory Affairs
15 Catherine O'Neil, Consumer Legal Affairs Officer
16 Steven Fromholtz, Licensing Administrator
17 Arizona Department of Insurance
18 2910 North 44th Street, Suite 210
19 Phoenix, Arizona 85018

20 Antoinette Torrance
21 HI-TOPS IG, Inc.
22 7150 E. Camelback Rd.
23 Scottsdale, Arizona 85251
24 Statutory Agent for Respondent

25 Antoinette Torrance
26 HI-TOPS IG, Inc.
3334 W. McDowell Rd., #15
NUM 2783
Phoenix, Arizona 85009
Statutory Agent for Respondent

Chad Michael Conner
1502 W. La Jolla
Tempe, Arizona 85282
Designated Responsible Licensed Producer

25 
26 Curvey Burton

MAY 3 2011

DIRECTOR'S OFFICE
INSURANCE DEPT.

IN THE OFFICE OF ADMINISTRATIVE HEARINGS

In the Matter of:

No. 11A-008-INS

HI-TOPS IG, INC
(License No. 959468)

ADMINISTRATIVE
LAW JUDGE DECISION

Respondent.

HEARING: April 13, 2011

APPEARANCES: Special Assistant Attorney General Mary Kosinski on behalf of the Arizona Department of Insurance; Hi-Tops, IG, Inc. did not appear at the hearing

ADMINISTRATIVE LAW JUDGE: Lewis D. Kowal

FINDINGS OF FACT

1. At all times material to this matter, Hi-Tops, IG, Inc ("Respondent") was and currently is licensed by the Arizona Department of Insurance ("Department").
2. On January 25, 2010, the Department issued Respondent a life producer license, license number 959468 ("License"), which expires on January 31, 2014.
3. Steven Fromholtz ("Mr. Fromholtz"), Producer Licensing Administrator for the Department, testified that when the Department receives an application for a producer's license, it is reviewed and processed. The card is then forwarded to the Arizona Department of Public Safety ("DPS") for processing, which includes processing by the Federal Bureau of Investigation for a criminal history background check to be conducted.
4. On March 24, 2010, the Department issued a letter to Respondent informing it that the fingerprint card for Antoinette Torrance ("Ms. Torrance") could not be processed and was returned by DPS as illegible. Respondent listed Ms. Torrance in the license application as a director and "CEO" of the corporation. In the above-mentioned letter, the Department requested that Respondent submit a replacement set of fingerprints for Ms. Torrance and enclosed a blank replacement fingerprint form. The

1 Department provided a deadline of April 23, 2010 for the return of the completed
2 replacement fingerprint form.

3 5. Because the Department did not receive the requested replacement fingerprints
4 and replacement fingerprint form for Ms. Torrance from Respondent as requested, the
5 Department sent another letter to Respondent on June 24, 2010, giving Respondent a
6 deadline of July 15, 2010 to file such items with the Department.

7 6. Mr. Fromholtz testified that, to date, the Department has not received any
8 communication from Respondent in response to the above-mentioned letters, and the
9 Department has not received from Respondent or from Ms. Torrance replacement
10 fingerprints or a replacement fingerprint form for Ms. Torrance.

11 7. Mr. Fromholtz testified that the Department has not received any change of
12 address notification from Respondent and that the above-mentioned letters were sent
13 to the mailing address of record the Department had for Respondent.

14 8. Respondent did not present any evidence to refute or rebut the evidence
15 presented by the Department.

16 **CONCLUSIONS OF LAW**

17 1. This matter is a disciplinary proceeding wherein the Department must prove by a
18 preponderance of the evidence that Respondent violated the State's Insurance Laws.
19 See A.AC. R2-19-119.

20 2. Pursuant to A.R.S. §§ 20-285(D) and (E), the license application of a business
21 entity is to include the names of all officers, director, and members. In addition, the
22 Director has authorization to require the director of a legal entity, such as a corporation,
23 to provide the same information that is required of an individual for licensure. This
24 would include a fingerprint card.

25 3. During the application process, the Director of the Department required
26 Respondent to submit a full set of fingerprints, and Respondent's illegible fingerprint
27 submission with respect to Ms. Torrance, the sole director of Respondent, did not
28 satisfy that requirement. See A.R.S. § 20-285(E)(2).

29 4. Respondent's conduct, as set forth above, constitutes a violation of A.R.S. § 20-
30 295(A)(1), by having failed to provide complete information in the license application.

1 5. Respondent's conduct, as set forth above, constitutes a violation of a provision
2 of A.R.S., Title 20, within the meaning of A.R.S. § 20-295(A)(2).

3 6. Grounds exist for the Director of the Department to suspend, revoke, or refuse to
4 renew the License pursuant to A.R.S. §§ 20-295(B)(1).

5 **ORDER**

6 Based upon the above, the License shall be revoked on the effective date of the
7 Order entered in this matter.

8 *In the event of certification of the Administrative Law Judge Decision by the*
9 *Director of the Office of Administrative Hearings, the effective date of the Order will be 5*
10 *days from the date of that certification.*

11 Done this day, April 29, 2011.

12
13 /s/ Lewis D. Kowal
14 Administrative Law Judge

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16 Transmitted electronically to:

17 Christina Urias, Director
18 Department of Insurance
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