

STATE OF ARIZONA
FILED

MAY 28 2014

DEPT OF INSURANCE
BY 

STATE OF ARIZONA
DEPARTMENT OF INSURANCE

In the Matter of:

No. 14A-010-INS

HALIK, THOMAS HAROLD
(Arizona License No. 1022024),
Respondent.

ORDER

On May 23, 2014, the Office of Administrative Hearings, through Administrative Law Judge M. Douglas, issued an Administrative Law Judge Decision ("Recommended Decision"), received by the Director of the Department of Insurance ("Director") on May 27, 2014, 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.
2. The Director revokes the Individual Insurance Producer's license held by Mr. Halik, effective immediately.

NOTIFICATION OF RIGHTS

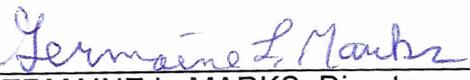
Pursuant to Arizona Revised Statutes ("A.R.S.") § 41-1092.09, Respondent may request a rehearing with respect to this order by filing a written motion with the Director of the Department of Insurance within 30 days of the date of this Order, setting forth the basis for relief under A.A.C. R20-6-114(B).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

1 Respondent may appeal the final decision of the Director to the Superior Court of
2 Maricopa County for judicial review pursuant to A.R.S. § 20-166. A party filing an appeal
3 must notify the Office of Administrative Hearings of the appeal within ten days after filing
4 the complaint commencing the appeal, pursuant to A.R.S. § 12-904(B).

5 DATED this 27th day of May, 2014.

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GERMAINE L. MARKS, Director
Arizona Department of Insurance

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10 COPY of the foregoing mailed this
11 28th day of May, 2014 to:

12

13 Thomas Harold Halik
14 c/o Bankers Life and Casualty
15 11811 N. Tatum, Suite 2900
16 Phoenix, Arizona 85028
17 Respondent

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19 Thomas Harold Halik
20 3611 W. Willow Ave.
21 Phoenix, Arizona 85029
22 Respondent

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25 Mary Kosinski, Executive Assistant for Regulatory Affairs
26 Darren Ellingson, Deputy Director
27 Maria Ailor, Acting Consumer Affairs Assistant Director
28 Catherine O'Neil, Consumer Legal Affairs Officer
29 Steven Fromholtz, Licensing Director
30 Arizona Department of Insurance
31 2910 North 44th Street, Suite 210
32 Phoenix, Arizona 85018

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35 Lynette Evans
36 Assistant Attorney General
37 1275 West Washington Street
38 Phoenix, Arizona 85007-2926

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1 Office of Administrative Hearings
2 1400 West Washington, Suite 101
3 Phoenix, Arizona 85007

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Curvey Walters

1 By signing and submitting this application, you agree to the
2 following: You authorize the [Department] to conduct a
3 background investigation to determine your fitness for an
4 insurance license. You agree to promptly respond to questions
5 that may arise from the investigation.

6 6. On or about June 25, 2012, the Department issued to Mr. Halik an insurance
7 license as a resident accident/health and life insurance producer, Arizona license
8 number 1022024 ("License"), which expires on December 31, 2015.¹

9 7. On or about October 22, 2013, the Department notified Mr. Halik by telephone
10 that he needed to supply the documents relating to his felony conviction response to
11 Question C1 on the June 25, 2012 Application. The Department made repeated follow-
12 up calls to Mr. Halik in an attempt to obtain the requested information.

13 8. Mr. Halik failed to supply documents relating to his felony conviction that he
14 disclosed in response to Question C1 on his June 25, 2012 Application.

15 **Testimony of Steven Fromholtz**

16 9. Steven Fromholtz (hereinafter "Mr. Fromholtz") testified that he is the Producer
17 Licensing Administrator for the Department. Mr. Fromholtz stated that in the Application
18 Mr. Halik acknowledged that he had been convicted of a felony. Mr. Fromholtz testified
19 that normally an insurance license would not have been issued until the Applicant
20 furnished all requested information regarding an acknowledged felony conviction.

21 10. Mr. Fromholtz testified that on October 22, 2013, the Department called Mr.
22 Halik at the business telephone number listed on the Application. When the
23 Department was unable to reach Mr. Halik at that number, the Department contacted
24 Mr. Halik at his home telephone number and left a message asking Mr. Halik to either
25 mail in his statement and the court documents for his acknowledged felony conviction or
26 to bring the requested documents to the Department. Mr. Fromholtz stated that Mr.
27 Halik failed to respond to the telephone message.

28 11. Mr. Fromholtz testified that on October 24, 2013, the Department received a
29 telephone message from Mr. Halik. Mr. Fromholtz stated that the Department then
30 contacted Mr. Halik and Mr. Halik agreed to file a written statement and all court

1 documents relating to his felony conviction by October 31, 2013. Mr. Fromholtz testified
2 that Mr. Halik failed to file the written statement and court documents relating to his
3 felony conviction as promised.

4 12. Mr. Fromholtz testified that on November 5, 2013, the Department contacted Mr.
5 Halik again and that Mr. Halik agreed to bring in the requested written statement and
6 court documents relating to his felony conviction by November 6, 2013. Mr. Fromholtz
7 stated that Mr. Halik failed to file the written statement and court documents with the
8 Department as promised.

9 13. Mr. Fromholtz testified that the Department contacted Mr. Halik again on
10 November 12, 2013, and that Mr. Halik agreed to bring the requested written statement
11 and court documents relating to his felony conviction to the Department by Friday,
12 November 15, 2013. Mr. Fromholtz stated that Mr. Halik failed to file the written
13 statement and court documents relating to his felony conviction with the Department as
14 promised.

15 5. Mr. Fromholtz testified that to date, Mr. Halik had failed to file the requested
16 written statement and court documents relating to his acknowledged felony conviction,
17 despite having had repeated opportunities to do so.

18 7. Mr. Halik did not present any evidence to refute or rebut the evidence presented
19 by the Department.

20 CONCLUSIONS OF LAW

21 1. This matter is a disciplinary proceeding wherein the Department must prove by
22 a preponderance of the evidence that Mr. Halik violated the State's Insurance Laws.²

23 2. Mr. Halik failed to file the requested written statement and court documents
24 relating to his acknowledged felony conviction with the Department, despite the
25 Department's repeated requests that he do so. Mr. Halik's conduct, as set forth above,
26 constitutes a violation of A.R.S. § 20-295(A)(1) by having failed to provide complete
27 information in his license application.

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29
30 ¹ See Exhibit 1.

² See A.A.C. R2-19-119.

1 4. Grounds exist for the Director of the Department to suspend, revoke, or refuse to
2 renew Mr. Halik's License pursuant to A.R.S. § 20-295(A) and (F).

3 **ORDER**

4 Based upon the above, Mr. Halik's Arizona license number 1022024 shall be
5 revoked on the effective date of the Order entered in this matter.

6 *In the event of certification of the Administrative Law Judge Decision by the*
7 *Director of the Office of Administrative Hearings, the effective date of the Order will be*
8 *five (5) days from the date of that certification.*

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10 Done this day, May 23, 2014.

11 /s/ M. Douglas
12 Administrative Law Judge

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15 Transmitted electronically to:

16 Darren Ellingson, Deputy Director
17 Arizona Department of Insurance
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