

SEP 26 1994

STATE OF ARIZONA

DEPARTMENT OF INSURANCE DEPARTMENT OF INSURANCE  
By llc

In the Matter of ) Docket No. 8505  
DAVID ALFRED BALDWIN, JR., ) ORDER  
Respondent. )  
\_\_\_\_\_ )

On August 11, 1994, the Director issued a notice of hearing in the above-captioned matter. The notice of hearing was mailed to Respondent at his last known address. A copy of the notice of hearing is attached and incorporated by reference.

The notice of hearing required Respondent to provide a written answer to the allegations set forth in the notice within twenty days of the issuance of the notice. As of this date, Respondent has failed to file an answer. On September 2, 1994, 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. R4-14-106(C), 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.

IT IS HEREBY ORDERED that

1. The allegations in the notice of hearing are deemed to be admitted.
2. All insurance licenses issued to Respondent David Alfred Baldwin, Jr. are revoked effective immediately.

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SEP 26 1994

ARIZONA DEPT. OF INS. LICENSING SECTION

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3. Respondent David Alfred Baldwin, Jr. shall pay a civil penalty to the Arizona Department of Insurance in the amount of \$500.00 within 30 days of the date of this order.

DATED this 26th day of September, 1994.

*Chris Herstam*  
CHRIS HERSTAM  
Director of Insurance

*Gregory Harris*  
GREGORY HARRIS  
Chief Administrative Law Judge

COPY of the foregoing mailed/delivered this 26th day of September, 1994, to:

Gay Ann Williams, Deputy Director  
Charles R. Cohen, Executive Assistant Director  
Jay Rubin, Manager, Investigations  
John Gagne, Investigator  
Maureen Catalioto, Supervisor  
Department of Insurance  
2910 N. 44th Street, Suite 210  
Phoenix, Arizona 85018

Kathryn Leonard  
Assistant Attorney General  
1275 W. Washington  
Phoenix, Arizona 85007

David Alfred Baldwin, Jr.  
21432 N. 75th Ave.  
Glendale, AZ 85308

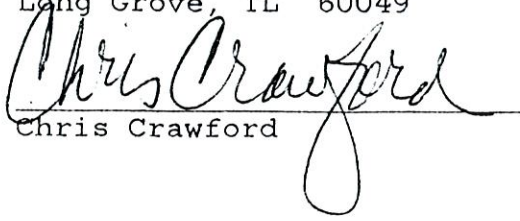
Phillip Alvarez  
5527 Calde Iglesia  
Guadalupe, AZ 85283

Larry Lamb/Leonard Trujillo  
Valleywide Insurance Agency, Inc.  
P.O. Box 47790  
Phoenix, AZ 85068-7790

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Kemper Investors Life Insurance Company  
One Kemper Drive, T1  
Lang Grove, IL 60049

  
Chris Crawford



1 compel attendance of witnesses and production of evidence in  
2 the person's behalf.

3 Questions concerning issues raised in this Notice of  
4 Hearing should be directed to Assistant Attorney General  
5 Kathryn L. Leonard (602-542-3702), Office of the Attorney  
6 General, 1275 West Washington, Phoenix, Arizona 85007.

7 NOTICE OF APPLICABLE RULES

8 On January 23, 1992, the Department adopted A.A.C.  
9 R4-14-101 through R4-14-115, setting forth the rules of  
10 practice and procedure applicable in contested cases before the  
11 Director. The hearing will be conducted pursuant to these  
12 rules:

13 PURSUANT TO A.A.C. R4-14-106, RESPONDENT SHALL FILE A  
14 WRITTEN ANSWER WITHIN TWENTY (20) DAYS AFTER THE ISSUANCE OF  
15 THIS NOTICE OF HEARING AND SHALL MAIL OR DELIVER A COPY OF THE  
16 ANSWER TO THE ASSISTANT ATTORNEY GENERAL DESIGNATED ABOVE. THE  
17 ANSWER SHALL STATE RESPONDENT'S POSITION OR DEFENSE AND SHALL  
18 SPECIFICALLY ADMIT OR DENY EACH ASSERTION IN THE NOTICE OF  
19 HEARING. ANY ASSERTION NOT DENIED SHALL BE DEEMED TO BE  
20 ADMITTED. ANY DEFENSE NOT RAISED IN THE ANSWER SHALL BE DEEMED  
21 TO BE WAIVED. IF AN ANSWER IS NOT TIMELY FILED, THE RESPONDENT  
22 SHALL BE DEEMED TO BE IN DEFAULT, AND THE DIRECTOR MAY DEEM THE  
23 ALLEGATIONS ARE TRUE AND TAKE WHATEVER ACTION IS APPROPRIATE,  
24 INCLUDING SUSPENSION, REVOCATION, DENIAL OF A LICENSE, OR  
25 RENEWAL OF A LICENSE, IMPOSITION OF A CIVIL PENALTY AND/OR  
26 ORDER RESTITUTION TO ANY INJURED PARTY.

1 PERSONS WITH DISABILITIES MAY REQUEST REASONABLE  
2 ACCOMMODATIONS SUCH AS INTERPRETERS, ALTERNATIVE FORMATS, OR  
3 ASSISTANCE WITH PHYSICAL ACCESSIBILITY. REQUESTS FOR  
4 ACCOMMODATIONS MUST BE MADE WITH 72 HOURS PRIOR NOTICE. IF YOU  
5 REQUIRE ACCOMMODATIONS, PLEASE CONTACT CHRIS CRAWFORD IN THE  
6 ADMINISTRATIVE LAW DIVISION AT 912-8454 OR CLAUDIA ACOSTA IN  
7 THE DIRECTOR'S OFFICE AT 912-8451.

8 The Director has cause to believe:

9 1. David Alfred Baldwin Jr., ("Respondent") was at  
10 all material times, and is currently, licensed as a resident  
11 property and casualty and life and disability agent.

12 2. On or about February 26, 1994, Respondent met  
13 with Phillip Alvarez at the Tempe office of Valleywide  
14 Insurance Agency Inc. ("Valleywide").

15 3. Respondent sold Mr. Alvarez a bogus insurance  
16 identification card showing Mr. Alvarez to be insured by  
17 Midland Risk Insurance Company with effective dates of  
18 February 26, 1994 through February 26, 1995. Respondent  
19 charged Mr. Alvarez \$80.00 cash for the card, for which Mr.  
20 Alvarez received no receipt.

21 4. Mr. Alvarez told Valleywide representatives that  
22 he had not filled out an application nor had he intended to  
23 purchase an insurance policy when he paid Respondent the \$80.00.

24 5. On April 28, 1994 the Department issued an order  
25 to appear to Respondent. This order was mailed certified mail,  
26

1 return receipt requested, to Respondent's address of record.  
2 The order was returned by the post office unclaimed.

3 6. On May 13, 1994 the Department issued a subpoena  
4 to Respondent to appear at the Department May 25, 1994 at 10:00  
5 a.m. That subpoena was mailed to Respondent, certified mail,  
6 return receipt requested, to Respondent's address of record.  
7 That subpoena was accepted and signed for, but Respondent  
8 failed to appear at the Department in response to the subpoena.

9 7. Respondent's conduct described above constitutes  
10 a record of dishonesty in business or financial matters under  
11 A.R.S. § 20-290(B)(2).

12 8. Respondent's conduct described above constitutes  
13 the existence of any cause for which original issuance or any  
14 renewal of an insurance license could have been refused such  
15 that Respondent's licenses may be suspended or revoked pursuant  
16 to A.R.S. § § 20-316(A)(1), together with 20-290(B)(2).

17 9. Respondent's conduct described above constitutes  
18 a wilful violation of, or wilful noncompliance with, any  
19 provision of this title, or any lawful rule, regulation or  
20 order of the director in violation of A.R.S. § 20-316(A)(2).

21 10. Respondent's conduct described above constitutes  
22 misappropriation or conversion to his own use or illegal  
23 withholding of monies belonging to policyholders, insurers,  
24 beneficiaries or others and received in or during the conduct  
25 of business under the license or through its use in violation  
26 of A.R.S. § 20-316(A)(4).


1           11. Respondent's conduct described above constitutes  
2 conduct of affairs under the license showing the licensee to be  
3 incompetent or a source of injury and loss to, or repeated  
4 complaint by, the public or any insurer in violation of A.R.S.  
5 § 20-316(A)(7).

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

10           WHEREFORE, if after hearing, the Director makes a  
11 finding of one or more of the above-described violations, he  
12 may suspend, revoke or refuse to renew Respondent's insurance  
13 license, impose a civil penalty upon Respondent and/or may  
14 order restitution, pursuant to A.R.S. § 20-316(A) and  
15 § 20-316(C).

16           Pursuant to A.R.S. § 20-150, the Director herewith  
17 delegates all of his authority, powers, duties and functions,  
18 whether ministerial or discretionary, with which he is vested  
19 as Director of Insurance of the State of Arizona, whether  
20 implied or expressed, to GREGORY Y. HARRIS for the purpose of  
21 acting as administrative law judge in this matter. This  
22 delegation of authority shall continue until specifically  
23 revoked.

24           DATED at Phoenix, Arizona, this 11th day of August,  
25 1994.

26           

CHRIS HERSTAM, Director  
Arizona Department of Insurance



1 COPY of the foregoing  
2 mailed this 11th day  
3 of August, 1994 to:

3 Kathryn L. Leonard  
4 Assistant Attorney General  
5 1275 W. Washington  
6 Room 259  
7 Phoenix, AZ 85007

6 Gay Ann Williams, Deputy Director  
7 Charles R. Cohen, Executive Assistant Director  
8 Jay Rubin, Manager of Investigations  
9 Arnold Sniegowski, Investigator  
10 Maureen Catalioto, Supervisor  
11 Department of Insurance  
12 2910 N. 44th St., Suite 210  
13 Phoenix, AZ 85018

10 David Alfred Baldwin  
11 21432 N. 75th Avenue  
12 Glendale, AZ 85308

12 Phillip Alvarez  
13 5527 Calle Iglesia  
14 Guadalupe, AZ 85283

14 Valleywide Insurance Agency, Inc.  
15 Larry Lamb  
16 Leonard Trujillo  
17 P.O. Box 47790  
18 Phoenix, AZ 85068-7790

17 Surety Life Insurance Co.  
18 P.O. Box 30030  
19 Salt Lake City, UT 84130-0030

19 Kemper Investors Life Insurance Co.  
20 One Kemper Drive, T1  
21 Long Grove, IL 60049

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