

OCT 5 1994

STATE OF ARIZONA
DEPARTMENT OF INSURANCE

DEPARTMENT OF INSURANCE
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In the Matter of)	Docket No. 8526
)	
KEN LOUIS CHAVEZ,)	ORDER
)	
Respondent.)	
-----)	

On August 26, 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 20, 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.

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. . .
. . .

1 2. All insurance licenses issued to Respondent Ken
2 Louis Chavez are revoked effective immediately.

3 DATED this 5th day of October, 1994.

4
5 *Chris Herstam*

6 CHRIS HERSTAM
7 Director of Insurance

8 *Gregory Y. Harris*

9 GREGORY Y. HARRIS
10 Chief Administrative Law Judge

11 COPY of the foregoing mailed/delivered
12 this 5th day of October, 1994, to:

13 Gay Ann Williams, Deputy Director
14 Charles R. Cohen, Executive Assistant Director
15 Jay Rubin, Manager, Investigations
16 Sandra Yaffi, Investigator
17 Maureen Catalioto, Supervisor
18 Department of Insurance
19 2910 N. 44th Street, Suite 210
20 Phoenix, Arizona 85018

21 Kathryn Leonard
22 Assistant Attorney General
23 1275 W. Washington
24 Phoenix, Arizona 85007

25 Ken Louis Chavez
26 9202 W. Jefferson
27 Tolleson, AZ 85358

28 Amwest Surety Insurance Company
 P.O. Box 4500
 Woodland, CA 91365

Denise Romeberg for CFC
 Chris Crawford

1 witnesses and production of evidence in on the person's behalf.

2 Questions concerning issues raised in this Notice of
3 Hearing should be directed to Assistant Attorney General KATHRYN
4 LEONARD (602-542-3702), 1275 West Washington, Phoenix, Arizona
5 85007.

6 NOTICE OF APPLICABLE RULES

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

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

25 PERSONS WITH DISABILITIES MAY REQUEST REASONABLE
26 ACCOMMODATIONS SUCH AS INTERPRETERS, ALTERNATIVE FORMATS, OR

1 ASSISTANCE WITH PHYSICAL ACCESSIBILITY. REQUESTS FOR
2 ACCOMMODATIONS MUST BE MADE WITH 72 HOURS PRIOR NOTICE. IF YOU
3 REQUIRE ACCOMMODATIONS, PLEASE CONTACT CHRIS CRAWFORD IN THE
4 ADMINISTRATIVE LAW DIVISION AT 912-8454 OR CLAUDIA ACOSTA IN THE
5 DIRECTOR'S OFFICE AT 912-8451.

6 This Hearing is being called by the Director because he
7 is informed and has cause to believe and therefore alleges the
8 following:

9 1. Ken Louis Chavez ("Respondent") is presently, and
10 was at all material times, licensed as a bail bond agent in the
11 State of Arizona (License No. 0004307). That license expires
12 October 31, 1994.

13 2. Pursuant to A.R.S. § 20-320, Respondent is required
14 to maintain in force while licensed as a bail bond agent a bond
15 in favor of this state executed by a surety insurer authorized to
16 do business in this state.

17 3. Effective September 8, 1993, Respondent's bond was
18 cancelled by Amwest Surety.

19 4. Respondent has failed to maintain in force a bond
20 in favor of this state as required by A.R.S. § 20-320.

21 5. An attempt to reach Respondent by mail at his last
22 know residence address has been returned by the post office.

23 6. Respondent has failed to promptly given written
24 notice to the Director of any change in his address as required
25 by A.R.S. § 20-313.

26 7. Respondent's conduct described above constitutes a

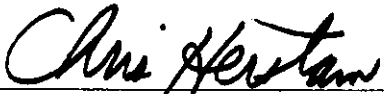
1 wilful violation of, or wilful noncompliance with, any provision
2 of A.R.S. Title 20 or any lawful rule, regulation or order of the
3 Director, within the meaning of A.R.S. § 20-316(A)(2).

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

8 WHEREFORE, if after hearing, the Director makes a
9 finding of one or more of the above-described violations, he may
10 suspend, revoke or refuse to renew Respondent's bail bond agent's
11 license and impose a civil penalty, pursuant to A.R.S.
12 §§ 20-316(A), 20-316(B) and 20-316(C).

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

20 DATED at Phoenix, Arizona, this 26th day of August, 1994.

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22 
23 _____
24 CHRIS HERSTAM, Director
25 Arizona Department of Insurance
26

1 COPY of the foregoing mailed this
26th day of August, 1994, to:

2 Kathryn Leonard
3 Assistant Attorney General
1275 West Washington, Room 259
4 Phoenix, Arizona 85007

5 Gay Ann Williams, Deputy Director
Charles R. Cohen, Executive Assistant Director
6 Jay Rubin, Manager of Investigations
Sandra Yaffi, Investigator
7 Maureen Catalioto, Supervisor
Department of Insurance
8 2910 North 44th Street
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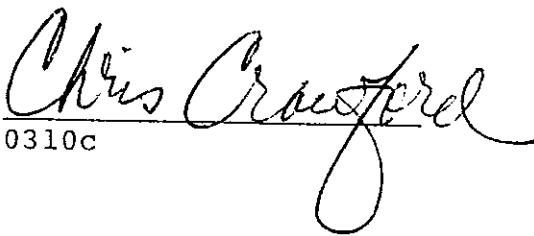
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