

**STATE OF OREGON
DEPARTMENT OF CONSUMER AND BUSINESS SERVICES
INSURANCE DIVISION**

In the Matter of **Raul A. Diaz**) **STIPULATION** and
) **FINAL ORDER**
) Case No. INS 09-03-012

STIPULATION

The Director of the Oregon Department of Consumer and Business Services (director) commenced this administrative proceeding, pursuant to Oregon Revised Statutes (ORS) 731.256, to take enforcement action against Raul A. Diaz (Diaz).

Diaz desires to conclude this proceeding without a hearing by entering into this stipulation pursuant to ORS 183.417(3).

Diaz waives all rights relative to an administrative hearing and judicial review thereof.

Diaz stipulates to the following facts, conclusions, action, and to the issuance of a final order incorporating this stipulation.

Facts and Conclusions

Licensing Information

Diaz has been licensed in Oregon as a nonresident insurance producer since 3/5/07. Diaz' last recorded residence and business address is located in Kennewick, Washington.

Administrative Action by Other State Insurance Regulator

Diaz is subject to enforcement action pursuant to ORS 744.074(1)(i) because of the following circumstances. ORS 744.074(1)(i) permits the director to take any authorized enforcement action against a person who has applied for a license or is licensed in Oregon as an insurance producer if another state insurance regulator canceled, revoked, suspended, or refused to renew, the person's license in that state as an insurance producer, adjuster or consultant. On 4/2/08, the insurance regulator for the State of Connecticut issued an order, number MC 08-29, revoking Diaz' Connecticut insurance producer license. The order became final on 6/2/08

pursuant to Regulations of Connecticut State Agencies §38a-8-63. The insurance regulator took the action because the insurance regulator found that Diaz violated the following three laws. First, Diaz violated Connecticut General Statutes (C.G.S.) §§38a-702K, 38a-769, and 38a-826 by, “on or about July 2007 to August 2007, misrepresent[ing] information on Combined Insurance Company accident and health insurance policies for the purpose of ... inducing or attempting to induce the policyholder to surrender such policy for the purpose of replacing the policy with another, and obtaining a fee, commission, money or other benefit from any insurer, producer, or individual.” Second, Diaz violated C.G.S. §38a-771 by failing to notify in writing the insurance regulator of Diaz’ change of residence address. Third, Diaz violated C.G.S. §§38a-16 and 38a-769 by failing to respond to the insurance regulator’s letter dated 12/4/07, requesting information about the misrepresentations and change of address.

Failed to Report Administrative Action by Other State Insurance Regulator

Diaz is subject to enforcement action pursuant to ORS 744.089(1) because of the following circumstances. ORS 744.074(1)(b) permits the director to take any authorized administrative action against a person who has applied for a license or is licensed in Oregon as an insurance producer if the person violated any insurance statute; or any rule, order, or subpoena, of the director or the insurance regulator of another state. ORS 744.089(1), an insurance statute, requires a person who is licensed in Oregon as an insurance producer to notify the director of any administrative action taken against the person by another state insurance regulator and provide a copy of the order within 30 days of the final disposition of the action. As referred to above, on 4/2/08, the insurance regulator for the State of Connecticut issued an order, number MC 08-29, revoking Diaz’ Connecticut insurance producer license. The action was finally disposed of on 7/17/08 pursuant to C.G.S. §4.183(c)(1). Diaz was required to notify the director of the action and provide a copy of the order by 8/18/08. Diaz has not notified the director of the action or provided a copy of the order.

Failed to Timely Respond to Director's Inquiry

Diaz is subject to enforcement action pursuant to ORS 731.296 because of the following circumstances. ORS 744.074(1)(b) permits the director to take any authorized enforcement action against a person who has applied for a license or is licensed in Oregon as an insurance producer if the person violated any insurance statute; or any rule, order, or subpoena, of the director or the insurance regulator of another state. ORS 731.296, an insurance statute, requires a person who is licensed in Oregon in any capacity under the Insurance Code to promptly and truthfully respond to an inquiry from the director. On 11/25/08, the Insurance Division, on behalf of the director, mailed by first class mail to Diaz at his last recorded residence and business mailing address of 5419 West Umatilla Avenue Kennewick, WA 99336-1365. The letter requested Diaz to provide certain information to the Insurance Division by 12/30/08. On 12/30/08, when Diaz did not respond by the due date, the Insurance Division sent by certified mail a follow up letter to Diaz. On 1/2/09, Toni Diaz, Diaz' sister, received the follow up letter. On 1/20/09, the Insurance Division received by fax from Diaz a letter dated 1/20/09. The letter did not provide all of the information requested. On 1/20/09, the Insurance Division called and spoke to Diaz. Diaz claimed that he did not know about the administrative action taken against him by the insurance regulator for the State of Connecticut because the order was sent to his sister's address and he did not live there at the time. Diaz explained that he did not respond to the Insurance Division's letter dated 11/25/08 because he "was hurt on an industrial accident on 9/30/08 and have been struggling working on medication since then."

Action

Pursuant to 744.074(1), Diaz' Oregon nonresident insurance producer license is revoked on the date of the final order.

Dated April 4, 2009

/s/ Raul A. Diaz
Raul A. Diaz

FINAL ORDER

The director incorporates herein the above stipulation, adopts it as the director's final decision in this proceeding, and orders that the action stated therein be taken.

Dated April 17, 2009

/s/ Teresa D. Miller
Teresa D. Miller
Acting Administrator
Insurance Division
Department of Consumer and Business Services

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