STATE OF OREGON
DEPARTMENT OF CONSUMER AND BUSINESS SERVICES
INSURANCE DIVISION

In the Matter of **George J. Gombar** and **Rick Gombar Insurance Services Inc.**	)	**STIPULATION and FINAL ORDER**
	)	Case No. INS 12-11-005

STIPULATION

The Director of the Oregon Department of Consumer and Business Services (director), by and through the Insurance Division, commenced this administrative proceeding, pursuant to Oregon Revised Statutes (ORS) 731.256, to take enforcement action against George "Rick" J. Gombar (Gombar) and Rick Gombar Insurance Services Inc. (RGIS).

Gombar and RGIS each desires to conclude this proceeding without a hearing by entering into this stipulation pursuant to ORS 183.417(3).

Gombar and RGIS each waives all rights relative to an administrative hearing and judicial review thereof.

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

Facts and Conclusions

Licensing Information

Gombar has been licensed in Oregon as a nonresident individual insurance producer for the classes of property, casualty, and surplus lines insurance since 5/11/07. Gombar's license is scheduled to expire on 9/30/13. Gombar's license number is 212064 and his NAIC national producer number is 2718839. Gombar's last recorded residence address is 3387 Blair Drive, Los Angeles, CA 90068-1409; and telephone number is 323-845-9519. Gombar's last recorded business address is 3387 Blair Drive, Los Angeles, CA 90068-1409; and telephone number is 323-845-9541.

RGIS has been licensed in Oregon as a nonresident business entity insurance producer for the classes of property, casualty, and surplus lines insurance since 9/29/08. RGIS' license is scheduled to expire on 9/30/14. RGIS' license number is 819524, NAIC national producer number is 3517003 and federal employer identification number is 95-4774723. RGIS' last recorded business address is 3387 Blair Drive, Los Angeles, CA 90068-1409; and telephone number is 323-845-9541. George J. Gombar is the president and designated responsible licensed producer for RGIS.

Failed to Report Administrative Action by Other State Insurance Regulator

Gombar is subject to enforcement action pursuant to ORS 744.089(1) because of the following circumstances.

ORS 744.089(1) 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.

On 3/11/09, the insurance regulator for the State of Kentucky issued an order, case number 635819, assessing Gombar a civil penalty of $100.00. The insurance regulator took the action because Gombar failed to pay a local government premium tax assessment required of all surplus lines brokers licensed in Kentucky. Gombar was permitted to request a hearing by 5/10/09. Gombar did not request a hearing. The action was finally disposed of on 5/11/09 pursuant to Kansas Revised Statutes (KRS) 304.2-310. Gombar was required to notify the director of the action and provide a copy of the order by 6/10/09. Gombar has not notified the director of the action or provided a copy of the order.

On 6/23/09, the insurance regulator for the State of Kentucky issued an order, case number 635819, suspending Gombar's Kentucky nonresident insurance producer license and assessing a civil penalty of $200.00. The civil penalty assessed in this case replaced the civil penalty in the above case. The insurance regulator took the action because Gombar failed to pay the premium tax assessment and otherwise comply with the order issued on 3/11/09. Gombar was permitted to

request a hearing by 8/24/09. Gombar did not request a hearing. The action was finally disposed of on 8/25/09 pursuant to KRS 304.2-310. Gombar was required to notify the director of the action and provide a copy of the order by 9/24/09. On 8/24/09, Gombar uploaded to the "Warehouse" of National Insurance Producer Registry (NIPR) a letter dated 6/25/09 from Kentucky to Gombar informing Gombar that "your [Kentucky] surplus lines broker license was recently terminated" and Gombar was required to file a quarterly surplus lines tax report, and any applicable taxes, "[i]f [surplus lines insurance] business was conducted during the period before your license was inactive." The letter indicated that the license was terminated effective 6/23/09. However, the letter did not explain how or why the license was terminated. Thus, Gombar has not notified the director of the action or provided a copy of the order.

On 3/31/11, the insurance regulator for the State of Kentucky issued an order, case number 635819, revoking Gombar's Kentucky nonresident insurance producer license. The insurance regulator took the action because Gombar failed to pay the premium tax assessment and otherwise comply with the orders issued 3/11/09 and 6/23/09. Gombar was permitted to request a hearing by 5/31/11. Gombar did not request a hearing. The action was finally disposed of on 6/1/11 pursuant to KRS 304.2-310. Gombar was required to notify the director of the action and provide a copy of the order by 7/1/11. Gombar has not notified the director of the action or provided a copy of the order.

On 7/20/11, the insurance regulator for the State of Washington issued an order, number 11-0170, revoking Gombar's Washington nonresident insurance producer license effective 8/11/11 if Gombar did not request a hearing by 10/18/11. Gombar did not request a hearing. The insurance regulator took the action because Gombar failed to respond to an inquiry from the regulator. The action was finally disposed of on 10/18/11 pursuant to Revised Code of Washington (RCW) 48.04.010. Gombar was required to notify the director of the action and provide a copy of the order by 11/17/11. Gombar has not notified the director of the action or provided a copy of the order.

On 1/10/12, the insurance regulator for the State of Indiana issued an order, number 10056-AG11-0216-030, *inter alia*, assessing Gombar a civil penalty of $250.00, and placing Gombar's Indiana insurance producer license on probation for one year. The insurance regulator took the action because Gombar failed to file a tax report required of all surplus lines producers licensed in Indiana. The action was finally disposed of on 1/10/12. Gombar was required to notify the director of the action and provide a copy of the order by 2/9/12. Gombar has not notified the director of the action or provided a copy of the order.

Administrative Action by Other State Insurance Regulator

Gombar 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 3/31/11, the insurance regulator for the State of Kentucky revoked Gombar's Kentucky nonresident insurance producer license as described above.

On 7/20/11, the insurance regulator for the State of Washington revoked Gombar's Washington nonresident insurance producer license as described above.

Provided Materially Untrue Information on Insurance License Application

Gombar is subject to enforcement action pursuant to ORS 744.074(1)(a) because of the following circumstances.

ORS 744.074(1)(a) permits the director to take any authorized enforcement action against a person who has provided incorrect, misleading, incomplete or materially untrue information in the license application.

On 9/13/11, the director received electronically from Gombar through the National Insurance Producer Registry (NIPR) an Oregon nonresident individual insurance producer license renewal application. On the application, Gombar answered "No" to question 2 which asked "Have you ever been named or involved as

a party in an administrative proceeding regarding any professional or occupational license or registration?" Gombar's answer was false because Gombar was involved in the Kentucky and Washington administrative actions as described above.

Failed to Respond to Director's Inquiry

Gombar is subject to enforcement action pursuant to ORS 731.296 because of the following circumstances.

ORS 731.296 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 9/10/12, the director mailed by certified mail a letter to Gombar at his last recorded residence mailing address of 3387 Blair Drive, Los Angeles, CA 90068-1409. The letter requested Gombar to provide certain information to the director by 10/1/12. On 9/3/12, "Aaron Alvarado" signed for the letter. The director has not received any response from Gombar.

Enforcement Action Against Business Entity for Acts of Individual

RGIS is subject to enforcement action pursuant to ORS 744.074(3) because of the following circumstances.

ORS 744.074(3) states "[t]he director may suspend, revoke or refuse to issue or renew the insurance producer license of a business entity if the director determines that an individual licensee's violation was known or should have been known by one or more of the partners, officers or managers acting on behalf of the partnership or corporation but the violation was not reported to the director and corrective action was not taken."

Gombar violated the provisions of the Oregon Insurance Code or related administrative rules at various times in 2009, 2011 and 2012 as described above. Gombar has been the president of RGIS since at least about 8/26/08, has been the sole designated responsible insurance producer for RGIS pursuant to ORS 744.059(2)(b) since 9/29/08, and has been employed by or otherwise authorized to act for RGIS as an insurance producer, since at least 9/29/08. Gombar, as an officer of RGIS, knew or should have known of such violations because he

committed the violations but did not report such violations to the director and did not take any corrective action

Action

As consideration for the director not continuing to investigate, or taking enforcement action against, Gombar and RGIS, Gombar and RGIS each surrenders their Oregon nonresident insurance producer license effective on the date of this stipulation; and agrees to never apply for any license authorized by ORS Chapter 744, or have any equity interest in, be an officer or director of, or be employed by or contracted with, any person that is issued any license authorized by ORS Chapter 744.

Dated January 17, 2013 /s/ George J. Gombar
George "Rick" J. Gombar

Dated January 17, 2013 /s/ George J. Gombar
George "Rick" J. Gombar
President
Rick Gombar Insurance Services Inc.

FINAL ORDER

The director incorporates herein and adopts the above stipulation as the director's final decision in this proceeding, and orders that no enforcement action shall be taken.

Dated January 30, 2013 /s/ Louis Savage
Louis Savage
Insurance Commissioner

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