

DEC 24 1997

DEPT. OF INSURANCE
BY [Signature]

STATE OF ARIZONA

DEPARTMENT OF INSURANCE

In the Matter of:)
)
6 **BRAD JOHN LASTOVICA**)
)
7 Respondent)
)

Docket No. 97A-235-INS

CONSENT ORDER

The State of Arizona, Department of Insurance ("Department"), has received evidence that Brad John Lastovica ("Respondent") violated the provisions of Title 20, Arizona Revised Statutes.

Respondent wishes to resolve this matter without the commencement of formal proceedings, and admits the following Findings of Fact are true and consents to entry of the following Conclusions of Law and Order.

FINDINGS OF FACT

1. Respondent is, and was at all material times, licensed in Arizona to transact life and disability insurance business as an agent, Arizona license number 36638, which license expires December 31, 1997.

COUNT I

2. In April 1996, Respondent provided a customer with sales material entitled "Benefits Comparison" purporting to compare coverages offered by American National Insurance Company ("American") and PFL Life Insurance Company. Respondent is an authorized agent of American. American did not authorize the use of the so-called "Benefits Comparison" utilized by Respondent.

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3 **COUNT III**

4 8. In January 1996, Respondent moved from his residence at 14643 S. 23rd Street, Phoenix,
5 Arizona to 3830 E. Lakewood Parkway, #1098, Phoenix, Arizona. Respondent failed to notify the
6 Department of his change of address as required pursuant to A.R.S. §20-313.

7 **CONCLUSIONS OF LAW**

8 1. The Director has jurisdiction over this matter.

9 2. Respondent's conduct with respect to advertising materials used in the solicitation and
10 sale of insurance constitutes a violation of A.A.C. R20-6-201(C)(2), A.A.C. R20-6-201(E) and A.A.C.
11 R20-6-201(G).

12 3. Respondent's conduct constitutes a failure to give prompt written notice to the Director of
13 any change of address, within the meaning of A.R.S. §20-313.

14 4. Respondent's conduct constitutes the wilful violation of, or wilful noncompliance with,
15 any provision of this title, or any lawful rule, regulation or order of the Director, within the meaning of
16 A.R.S. §20-316(A)(2).

17 5. Respondent's conduct constitutes a conduct of affairs under the license showing the
18 licensee to be incompetent or a source of injury and loss to, or repeated complaint by, the public or any
19 insurer within the meaning of A.R.S. §20-316(A)(7).

20 6. Grounds exist for the Director to suspend, revoke, or refuse to renew Respondent's
21 insurance license, issue an order to cease and desist, impose a civil penalty upon Respondent, and/or
22 order restitution, pursuant to A.R.S. §§20-316(A), 20-316(C), and 20-456.

23

1 **ORDER**

2 IT IS ORDERED THAT:

- 3 1. Respondent's license is suspended for a period of fifteen (15) days, effective immediately.
- 4 2. Respondent shall pay a civil penalty in the amount of \$500 to the Director payable upon
- 5 entry of this Order, for remission to the State Treasurer for deposit in the State General Fund.
- 6 3. Respondent shall cease and desist from the practice of using advertising materials that fail
- 7 to disclose the limitations and exclusions under any policy of insurance.

8 DATED AND EFFECTIVE this 24 day of December, 1997.

9

10 
11 JOHN A. GREENE
12 Director of Insurance

13 **CONSENT TO ORDER**

- 14 1. Respondent has reviewed the foregoing Findings of Fact, Conclusions of Law and Order.
- 15 2. Respondent admits the jurisdiction of the Director of Insurance, State of Arizona, and
- 16 admits the foregoing Findings of Fact and consents to the entry of the foregoing Conclusions of Law and
- 17 Order.
- 18 3. Respondent is aware of his right to notice and a hearing at which he may be represented
- 19 by counsel, present evidence and cross examine witnesses. Respondent irrevocably waives his right to
- 20 such notice and hearing and to any court appeals relating to this Consent Order.
- 21 4. Respondent states that no promise of any kind or nature whatsoever, except as expressly
- 22 contained in this Consent Order, was made to him to induce him to enter into this Consent Order and that
- 23 he has entered into this Consent Order voluntarily.

1 5. Respondent acknowledges that the acceptance of this Consent Order by the Director is
2 solely to settle this matter against him and does not preclude any other agency, officer or subdivision of
3 this state from instituting civil or criminal proceedings as may be appropriate now or in the future.
4

5 12/23/97



6 Date

Brad John Lastovica

7 Copies of the foregoing mailed
8 this 24th day of December, 1997 to:

9 Brad John Lastovica
3830 E. Lakewood Parkway, #1098
10 Phoenix, AZ 85044

11 American National Insurance Company
One Moody Plaza
12 Galveston, TX 77550-7999
United Benefit Life Insurance Company
13 3909 Hulen Street
Fort Worth, TX 76107

14 Charles R. Cohen, Deputy Director
15 John D. Gagne, Assistant Director
Maureen Catalioto, Licensing Supervisor
16 Arizona Department of Insurance
2910 N. 44th Street, Suite 210
17 Phoenix, AZ 85018

18 
19 Curvey Walters Burton