State of Missouri

DEPARTMENT OF INSURANCE, FINANCIAL INSTITUTIONS & PROFESSIONAL REGISTRATION

IN THE MATTER OF:	)	
	)	
	)	**Case No. 09-1207789C**
Alfred I. Shuaibe,	)	
	)	
Applicant.	)	
	)	
Serve at:	)	
10017 West Crown King Road	)	
Tolleson, Arizona 85353	)	

REFUSAL TO ISSUE INSURANCE PRODUCER LICENSE

On December 22, 2009, Tamara W. Kopp, Senior Enforcement Counsel and counsel to the Consumer Affairs Division, submitted a Petition to the Director alleging cause for refusing to issue an insurance producer license to Alfred I. Shuaibe. After reviewing the Petition, the Investigative Report, and the entirety of the file, the Director issues the following findings of fact, conclusions of law, and summary order:

FINDINGS OF FACT

1. Alfred I. Shuaibe ("Shuaibe") is an individual residing in Arizona, whose mailing address of record is 10017 West Crown King Road, Tolleson, Arizona 85353.

2. In February 2009, the Department received a Uniform Application for Individual Insurance Producer License ("Application") from Shuaibe. On June 24, 2009, the Application became complete when Shuaibe submitted additional documentation.

3. In the section of the Application headed "Background Questions," Background Question # 1 asks "Have you ever been convicted of a crime, had a judgment withheld or deferred, or are you currently charged with committing a crime?"

4. Shuaibe answered "Yes" to Background Question # 1. Shuaibe disclosed that on December 6, 2000, Shuaibe pleaded guilty in Scottsdale City Court in Scottsdale, Arizona to the class 1 misdemeanor of domestic violence. Shuaibe was placed on one year unsupervised probation, ordered to pay a fine, and ordered to complete an anger management course within six months.

5. In the section of the Application headed "Background Questions," Background Question # 2 asks "Have you or any business in which you are or were an owner, partner, officer or director, or member or manager of limited liability company, ever been involved in an administrative proceeding regarding any professional or occupational license, or registration. 'Involved' means having a license censured, suspended, revoked, canceled, terminated; or, being assessed a fine, a cease and desist order, a prohibition order, a compliance order, placed on probation or surrendering a license to resolve an administrative action. 'Involved' also means being named as a party to an administrative or arbitration proceeding, which is related to a professional or occupational license. 'Involved' also means having a license application denied or the act of withdrawing an application to avoid a denial."

6. Shuaibe answered "Yes" to Background Question # 2. Shuaibe disclosed that state insurance regulators in the states of of Illinois, Wisconsin, and Colorado denied Shuaibe's insurance producer applications as follows:

    a. On or about June 26, 2000, the Wisconsin Commissioner of Insurance denied Shuaibe's application for permanent individual intermediary agent's insurance license because Shuaibe failed to respond to written requests for information regarding his application and because Shuaibe stated that he was six months in arrears with regard to a child support obligation.
    b. On or about October 2, 2003, the Wisconsin Commissioner of Insurance again denied Shuaibe's application for permanent individual intermediary agent's insurance license. The Wisconsin Commissioner of Insurance denied Shuaibe's application because Shuaibe failed to disclose the 2000 administrative action taken by the state of Wisconsin and failed to respond to written requests for information regarding his application. Additionally, the Wisconsin Commissioner of Insurance denied Shuaibe's application because Shuaibe stated that he was six months in arrears with regard to a child support obligation.
    c. On or about April 19, 2004, the Illinois Department of Insurance denied Shuaibe's non-resident license application because Shuaibe failed to disclose previous administrative actions, attempted to obtain a license through misrepresentation, demonstrated untrustworthiness, stated that he had a child support obligation in arrearage, and failed to facilitate and aid the Director of the Illinois Department of Insurance in its investigation.
    d. On or about May 9, 2008, the Colorado Division of Insurance denied Shuaibe's non-resident insurance producer application for licensure due to incorrect, misleading, incomplete, or materially untrue information in the license application. On October 15, 2008, Shuaibe withdrew his Colorado non-resident insurance producer application for licensure to avoid a license denial.
    e. On or about June 25, 2008, the Wisconsin Commissioner of Insurance denied Shuaibe's application for permanent individual intermediary agent's license for a third time. The Wisconsin Commissioner of Insurance denied Shuaibe's application because Shuaibe failed to respond to previous written requests for

information and failed to disclose prior administrative actions taken in Wisconsin and Illinois.

7. In the section of the Application headed "Background Questions," Background Question # 7 asks "Do you have a child support obligation in arrearage?"

8. Shuaibe answered "Yes" to Background Questions # 7 and further stated that he was 12 months in arrearage and currently subject to a repayment agreement.

9. Division of Consumer Affairs Investigator Carrie Couch sent Shuaibe a letter by first class mail to his address of record on or about June 30, 2009, inquiring about the disclosed administrative actions, child support arrearage, and criminal guilty plea. Couch stated in the letter that a personal written response was required by July 20, 2009. The letter was not returned to the Department as undeliverable. On July 20, 2009, Couch contacted Shuaibe by telephone and Shuaibe agreed to forward the requested information by August 10, 2009. The Department did not receive a response from Shuaibe regarding the June 30, 2009 letter by August 10, 2009.

10. Couch sent a second request for information by first class mail on or about August 19, 2009, to Shuaibe's address of record. Couch stated in the second request that a personal written response was required by September 1, 2009. The second request was not returned to the Department as undeliverable. The Department did not receive a response from Shuaibe regarding the August 19, 2009 letter.

CONCLUSIONS OF LAW

11. Section 375.141.1, RSMo (Supp. 2008), provides:

> The director may suspend, revoke, refuse to issue or refuse to renew an insurance producer license for any one or more of the following causes:
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> * * *
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> (2) Violating any insurance laws, or violating any regulation, subpoena or order of the director or of another insurance commissioner in any other state;
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> * * *
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> (9) Having an insurance producer license, or its equivalent, denied, suspended or revoked in any other state, province, district or territory;
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> * * *
>
> (13) Failing to comply with an administrative or court order imposing a child support obligation;

12. Section 374.210 provides that the Director may refuse to issue a license to any person who refuses to file a statement or produce records.

13. 20 CSR 100-4.100(2)(A) Required Response to Inquiries by the Consumer Affairs Division, provides:

> Upon receipt of any inquiry from the division, every person shall mail to the division an adequate response to the inquiry within twenty (20) days from the date the division mails the inquiry. An envelope's postmark shall determine the date of mailing. When the requested response is not produced by the person within twenty (20) days, this nonproduction shall be deemed a violation of this rule, unless the person can demonstrate that there is reasonable justification for that delay.

14. Under Missouri law, when a letter is duly mailed by first class mail, there is a rebuttable presumption that the letter was delivered to the addressee in the due course of the mails. *Hughes v. Estes*, 793 S.W.2d 206 (Mo. App. 1990).

15. The principal purpose of § 375.141, RSMo (Supp. 2008), is not to punish licensees or applicants, but to protect the public. *Ballew v. Ainsworth*, 670 S.W.2d 94, 100 (Mo.App. E.D. 1984).

16. Shuaibe may be refused an insurance producer license pursuant to § 375.141.1(2), RSMo (Supp. 2008), because he violated the insurance laws of Missouri by failing to respond to two Division of Consumer Affairs inquiries in violation of 20 CSR 100-4.100(2)(A). Each failure is also grounds to refuse Shuaibe's license pursuant to § 374.210, RSMo (Supp. 2008).

17. Shuaibe may be refused an insurance producer license pursuant to § 375.141.1(9), RSMo (Supp. 2008), because three states have denied Shuaibe's applications for an insurance producer license, or its equivalent.

18. Shuaibe may be refused an insurance producer license pursuant to § 375.141.1(13), RSMo (Supp. 2008), because Shuaibe has a child support obligation currently 12 months in arrearage.

19. Shuaibe disclosed administrative actions in three states where the state insurance regulators denied his insurance producer applications. The states denied his applications based upon Shuaibe's failure to respond to inquiries and child support arrearages. After the first denial, Shuaibe repeatedly failed to disclose prior administrative action(s) and repeatedly failed to respond to regulator inquiries. With regard to his current Missouri Application, Shuaibe continues to fail to respond to inquiries, even when provided multiple opportunities. Shuaibe has demonstrated a lack of ability to comply with the insurance law and disrespect for the Department investigatory process. Finally, over a period of nine years, Shuaibe has shown financial irresponsibility with regard to his child support obligations. Granting Shuaibe's Missouri insurance producer license would not be in the interest of the public.

20. This Order is in the public interest.

ORDER

IT IS THEREFORE ORDERED that the insurance producer license application of **Alfred I. Shuaibe** is hereby summarily **REFUSED**.

SO ORDERED, SIGNED AND OFFICIAL SEAL AFFIXED THIS 24th **DAY OF** DECEMBER, **20**09.

JOHN M. HUFF
DIRECTOR

NOTICE

TO: Applicant and any unnamed persons aggrieved by this Order:

You may request a hearing in this matter. You may do so by filing a complaint with the Administrative Hearing Commission, P.O. Box 1557, Jefferson City, Missouri within 30 days after the mailing of this notice pursuant to § 621.120, RSMo. Under 1 CSR 15-3.290, unless you send your complaint by registered or certified mail, it will not be considered filed until the Administrative Hearing Commission receives it.

CERTIFICATE OF SERVICE

I hereby certify that on this 29th day of December, 2009, a copy/duplicate original of the foregoing Order and Notice was served upon the Applicant in this matter by certified/priority mail No. 7007 3020 0003 1572 5367.

Alfred I. Shuaibe
10017 West Crown King Road
Tolleson, Arizona 85353

Karen Crutchfield
Karen Crutchfield
Senior Office Support Staff