STATE OF ARIZONA
Department of Insurance and Financial Institutions
FILED May 20, 2024 by AS

STATE OF ARIZONA

DEPARTMENT OF INSURANCE AND FINANCIAL INSTITUTIONS

In the Matter of:

ARTHUR RAYMOND ORTEGA

(National Producer No. 20395710)

Respondent.

No. 24A-043-INS

CONSENT ORDER

The Arizona Department of Insurance and Financial Institutions ("Department") has received evidence that **Arthur R. Ortega ("Respondent")** violated provisions of Arizona Revised Statutes ("A.R.S.") Title 20. Respondent wishes to resolve this matter without the commencement of formal proceedings, and admits the following Findings of Fact are true, and consents to the entry of the following Conclusions of Law and Order.

FINDINGS OF FACT

1. Respondent was at all material times licensed as an Arizona resident insurance producer, National Producer Number 20395710, with a line of authority in life insurance. The Department first licensed Respondent on July 15, 2022. Respondent's license is scheduled to expire on June 30, 2026.

2. Respondent's addresses of record with the Department are 22410 North 53rd Place, Phoenix, Arizona 85054 (business and mailing) and Arthur.ortegaaz@gmail.com (email).

3. On or about May 10, 2023, the Department received a complaint against

Respondent alleging that, while contracted as an independent insurance producer with RM Wealth Management, LLC Respondent caused a chargeback debt of over $30,000.00, and was terminated effective May 2, 2023. The complaint further alleged that within an hour of the termination, Respondent issued four (4) fraudulent life insurance policies.

4. On or about May 11, 2023, the Department received an email correspondence from the Alaska Division of Insurance, Department of Commerce, Community, and Economic Development ("AKDOI") notifying the Department of the pending investigation against Respondent due to allegedly issuing fraudulent policies using the information of Alaska residents. The AKDOI subsequently provided to the Department a copy of its investigative report finding that at least one Alaska resident was affected by Respondent's misconduct.

5. On or about June 6, 2023, the Department received investigative records from Ethos Technologies Inc. dba Ethos Life Insurance Services ("Ethos")[1]. Ethos' internal investigation into Respondent's activity determined, in part, that Respondent bound policies for at least four (4) consumers from the same IP address in Arizona. Each of the policies was terminated due to a non-payment of the premium. Further, Respondent initiated at least five (5) insurance policies from the same IP address in Arizona but Ethos referred these

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[1] In response to the Department's and ADI's requests for records, Ethos initiated an investigation into Respondent's activity. Ethos is an Arizona licensed insurance producer domiciled in California. Ethos' online services allow consumers to conveniently apply for life insurance. Ethos had a professional arrangement with Respondent and according to the arrangement, Respondent would refer new consumers to Ethos.

applications to a different insurance agency.

6. On or about February 20, 2024, the State of Minnesota Department of Commerce issued a Consent Order against Respondent revoking his Minnesota insurance producer license.

7. On or about March 7, 2024, the Department received a response from Respondent related to the complaint's allegations. In his response, Respondent claimed that he bound the policies in question due to the confusing navigation of Ethos' application system and argued that the application approval process was unclear.

8. On or about March 15, 2024, the AKDOI issued a Revocation of Insurance Producer License Pursuant to AS 21.27.440 revoking Respondent's license for a period of sixty-five (65) years.

CONCLUSIONS OF LAW

9. The Director has jurisdiction over this matter.

10. Respondent's conduct, as described above, constitutes a violation of Title 20 or any rule, subpoena or order of the Director. A.R.S. § 20-295(A)(2).

11. Respondent's conduct, as described above, constitutes using fraudulent, coercive or dishonest practices, or demonstrating incompetence, untrustworthiness or financial irresponsibility in the conduct of business in this state or elsewhere. A.R.S. § 20-295(A)(8).

12. Respondent's conduct, as described above, constitutes having an insurance producer license, or its equivalent, denied, suspended or revoked in any state, province, district or territory. A.R.S. § 20-295(A)(9).

13. Grounds exist, for the Director to deny, suspend for not more than twelve months, revoke or refuse to renew Respondent's insurance producer license. A.R.S. § 20-295(A).

ORDER

IT IS HEREBY ORDERED THAT:

Arthur R. Ortega's Arizona insurance producer license, national producer number 20395710, is revoked, effective immediately.

Effective this 20th day of May, 2024.

Barbara D. Richardson

Barbara D. Richardson
Cabinet Executive Officer
Executive Deputy Director
Arizona Department of Insurance and Financial Institutions

CONSENT TO ORDER

1. Respondent acknowledges that it has been served with a copy of the foregoing Consent Order in the above-referenced matter, has read it, is aware of its right to an administrative hearing in this matter and has knowingly and voluntarily waived that right.

2. Respondent accepts the personal and subject matter jurisdiction of the Department over it in this matter.

3. Respondent acknowledges that no promise of any kind or nature has been made to induce it to sign the Consent to Order and it has done so knowingly and voluntarily.

4. Respondent acknowledges and agrees that the acceptance of this Consent to Order by the Director is solely to settle this matter and does not preclude the Department from instituting other proceedings as may be appropriate now or in the future. Furthermore, and notwithstanding any language in this Consent Order, this Consent Order does not preclude in any way any other state agency or officer or political subdivision of this state from instituting proceedings, investigating claims, or taking legal action as may be appropriate now or in the future relating to this matter or other matters concerning Respondent, including but not limited to violations of Arizona’s Consumer Fraud Act. Respondent acknowledges that, other than with respect to the Department, this Consent Order makes no representations, implied or otherwise, about the views or intended actions of any other state agency or officer or political subdivision of the state relating to this matter or other matters concerning Respondent.

5. Respondent waives all rights to seek an administrative or judicial review or otherwise to challenge or contest the validity of this Consent Order and its accompanying parts before any court of competent jurisdiction.

6. Respondent acknowledges that this Consent Order is an administrative action that the Department will report to the National Association of Insurance Commissioners (NAIC). Respondent further acknowledges that it must report this administrative action to any and all states in which Respondent holds an insurance license and must disclose this administrative action on any license application.

5/13/2024
DATE

Arthur Ortega
ARTHUR RAYMOND ORTEGA
(NATIONAL PRODUCER NO. 20395710)

COPY of the foregoing delivered via email
this 20 day of May, 2024, to:

Arthur R. Ortega
22410 North 53rd Place
Phoenix, Arizona 85054
Arthur.ortegaaz@gmail.com
Respondent

COPY of the foregoing delivered/emailed same date, to:

Deian Ousounov, Chief Financial Deputy Director
Alena Caravetta, Regulatory Legal Affairs Officer
Ana Starcevic, Paralegal Project Specialist
Rachel Smith, Investigator
Catherine O'Neil, Consumer Regulatory Affairs Officer
Steven Fromholtz, Division Manager, Licensing
Linda Lutz, Legal Assistant, Licensing
Aqueelah Currie, Licensing Supervisor
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100 North 15th Avenue, Suite 261
Phoenix, Arizona 85007-2630

Ana Starcevic
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