

BEFORE THE INSURANCE COMMISSIONER OF THE
STATE OF OKLAHOMA

FILED
AUG 09 2011
INSURANCE COMMISSIONER
OKLAHOMA

STATE OF OKLAHOMA, ex rel.)
JOHN D. DOAK, Insurance Commissioner,)
)
Petitioner,)
)
vs.)
)
ADVOCATE AUTO CONSULTANTS,)
DIANE PATZKE and RICHARD GEDRAITIS,)
)
Respondents.)

Case No. 11-0757-UNI

EMERGENCY CEASE AND DESIST ORDER

On the 9th day of August, 2011 the Oklahoma Insurance Department ("OID") through Assistant General Counsel Julie Meaders presented to the Insurance Commissioner an Application for an Emergency Cease and Desist Order. The Commissioner having examined the Application finds the Oklahoma Insurance Department has jurisdiction over this matter pursuant to the Oklahoma Constitution Article 6 § 22; the Oklahoma Insurance Code, generally, 36 O.S. §§ 101 et seq.; and specifically pursuant to the Oklahoma Adjuster Licensing Act, 36 O.S. §§ 6201 et seq. and the Unauthorized Insurance Business Act, 36 O.S. §§ 6103.1 et seq.

The Commissioner further finds clear and convincing evidence to support the following finding and orders:

1. Respondents actions fall within the definition of "doing an insurance business in this State" 36 O.S. § 6103.2. The above-cited conduct is in violation of 36 O.S. §§ 6103.2 and 6103.3.
2. Respondents are acting as public insurance adjusters in the state of

Oklahoma without proper licensure. Such conduct is a violation of 36 O.S. § 6220.8.

3. The alleged conduct is an immediate danger to the public or is causing or can be reasonably expected to cause significant, imminent and irreparable public injury.

IT IS THEREFORE ORDERED that Respondents and any agents, affiliates, employees, and/or other representatives, both current and successor, whether named or unnamed herein, shall **CEASE & DESIST** from all activities related to doing insurance business in this state, including:

1. The making of or proposing to make as an insurer an insurance contract;
2. The making of or proposing to make, as guarantor or surety, any contract of guaranty or suretyship as a vocation and not merely incidental to any other legitimate business or activity of the guarantor or surety;
3. The taking or receiving of any application for insurance;
4. Maintaining any agency or office where any acts in furtherance of an insurance business are transacted, including but not limited to:
 - a. execution of contracts of insurance with citizens of this or any other state,
 - b. maintaining files or records of contracts of insurance,
 - c. processing of claims, or
 - d. receiving or collection of any premiums, commissions, membership fees, assessments, dues or other consideration for any insurance or any part thereof;

5. The issuance or delivery of contracts of insurance to residents of this state or to persons authorized to do business in this state;

6 Directly or indirectly acting as an agent for, or otherwise representing or aiding on behalf of another, any person or insurer in:

a. solicitation, negotiation, procurement or effectuation of insurance or renewals thereof,

b. dissemination of information as to coverage or rates, or forwarding of applications, or delivery of policies or contracts,

c. inspection of risks,

d. fixing of rates or investigation or adjustment of claims or losses,

e. transaction of matters subsequent to effectuation of the contract and arising out of it, or

f. in any other manner representing or assisting a person or insurer in the transaction of insurance with respect to subjects of insurance resident, located or to be performed in this state;

7. Contracting to provide indemnification or expense reimbursement in this state to persons domiciled in this state or for risks located in this state, whether as an insurer, agent, administrator, trust, funding mechanism, or by any other method;

8. The doing of any kind of insurance business specifically recognized as constituting the doing of an insurance business within the meaning of the statutes relating to insurance;

9. The doing or proposing to do any insurance business in substance equivalent to any of the foregoing in a manner designed to evade the provisions of the statutes; or

10. Any other transactions of business in this state by an insurer.

IT IS FURTHER ORDERED Respondent shall leave all of its records undisturbed in its offices until such time as an appropriate examination of such records can be completed by representatives of the department or other examiners appointed by or cooperating with the Commissioner.

IT IS FURTHER ORDERED that this Order is effective immediately and shall continue in full force and effect until further order of the Commissioner. This Order is binding on Respondent, its agents, affiliates, employees and/or other representatives, both current and successor, whether named or unnamed herein.

Pursuant to 36 O.S. § 6103.6(B), any person affected by this Order and who seeks to contest it, has the right to request a hearing before the Commissioner, or her duly appointed representative, to show cause why this Order should not be affirmed. The person affected must make the request not later than the 30th day after the date on which the person receives this Order. The request must be in writing directed to the Commissioner and must state the grounds for the request to set aside or modify the Order.

Pending hearing, this Order shall continue in full force and effect unless stayed by the Commissioner. Any such hearing shall be conducted according to the procedures for contested cases under the Insurance Code and 75 O.S. §§ 250 et seq.

In the event this order is violated, the Commissioner may impose a civil penalty of \$25,000.00 for each act of violation; direct the Respondent against whom the Order is issued to make complete restitution, in the form and amount and within the period determined by the Commissioner to all Oklahoma residents, Oklahoma insureds and entities operating in Oklahoma damaged by the violation or failure to comply, or impose both the penalty and direct restitution.

WITNESS My Hand and Official Seal this 9th day of August, 2011.




PAUL WILKENING
DEPUTY INSURANCE COMMISSIONER
STATE OF OKLAHOMA

CERTIFICATE OF MAILING

I, Julie Meaders hereby certify that a true and correct copy of the above and foregoing Application for Emergency Cease and Desist Order was mailed postage prepaid with return receipt requested on this 9th day of August, 2011 to:

Advocate Auto Consultants, LLC
Diane Paztke
Richard Gedraitis
1075 West Morse Blvd.
Suite B
Winter Park, FL 32789

CERTIFIED MAIL NO:
7008 1830 0003 9411 8122

and a copy was hand-delivered to:

Leah Scoles/Licensing Division

Jason Johnston/Consumer Assistance/Claims Division


Julie Meaders

U.S. Postal Service™
CERTIFIED MAIL™ RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

For delivery information visit our website at www.usps.com®

OFFICIAL USE

7008 1830 0003 9411 8122

Postage	\$	
Certified Fee		
Return Receipt Fee (Endorsement Required)		
Restricted Delivery Fee (Endorsement Required)		
Total Postage & Fees		Advocate Auto Consultants, LLC
Sent To		Diane Paztke
Street, Apt. No., or PO Box No.		Richard Gedraitis
City, State, ZIP+4		1075 West Morse Blvd. Suite B Winter Park, FL 32789

11-07 5740

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

RECEIVED

1. Article Addressed to: OKLAHOMA INSURANCE DEPARTMENT

AUG 16 2011

Advocate Auto Consultants, LLC
 Diane Paztko
 Richard Gedraitis
 1075 West Morse Blvd. Suite B
 Winter Park, FL 32789

Legal Division

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X *Armando Madro* Agent
 Addressee

B. Received by (Printed Name)

Armando Madro

C. Date of Delivery

8/12/11

D. Is delivery address different from item 1? Yes

If YES, enter delivery address below: No

3. Service Type

- Certified Mail Express Mail
- Registered Return Receipt for Merchandise
- Insured Mail C.O.D.

4. Restricted Delivery? (Extra Fee)

Yes

2. Article Number

(Transfer from service label)

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