

State of Rhode Island and Providence Plantations
DEPARTMENT OF BUSINESS REGULATION
Insurance Division
1511 Pontiac Avenue, Bldg. 69-2
Cranston, Rhode Island 02920

IN THE MATTER OF:

DIONYS GARCIA

RESPONDENT.

DBR No. 2019-IN-004

CONSENT AGREEMENT

It is hereby agreed between the Department of Business Regulation (“Department”) and Dionys Garcia (“Respondent”) as follows:

1. Respondent holds a non-resident Rhode Island insurance producer license for the Life, Accident and Health lines of business, National Producer Number (NPN) 15994354 and Rhode Island License Number 2317659.
2. The Department received a complaint from a Rhode Island consumer in March 2019 regarding the recent sale of two life insurance policies, one to the Complainant and the other to his spouse. The Complainant accused Respondent of completing applications for the policies prematurely with two different companies, causing the Complainant’s checking account to be overdrawn when the insurers withdrew premiums. The Complainant also provided the Department with copies of text messages exchanged with the Respondent where he offered to personally refund Complainant’s initial premium payments.
3. The Department conducted an investigation into the complaint. Respondent disputes a portion of the Complaint, but not the relevant part concerning his offer to personally

reimburse the Complainant for his premiums paid. Respondent admits that he offered to personally reimburse the Complainant, but due to intervening actions, no reimbursements were made.

4. Respondent confirmed in his response that Complainant has cancelled the policies with both companies and has since received a full refund of premiums paid for Complainant's and spouse's policies. Complainant has stated as such to the Department.

5. R.I. Gen. Laws § 27-29-4(8)(i) states:

“Rebates. Except as otherwise expressly provided by law, knowingly permitting or offering to make or making any policy or agreement as to the policy other than as plainly expressed in the policy issued on it, or paying or allowing or giving or offering to pay, allow, or give, directly or indirectly, as inducement to the policy, any rebate of premiums payable on the policy, or any special favor or advantage in the dividends or other benefits on the policy, or any valuable consideration or inducement not specified in the policy, or giving, selling, or purchasing or offering to give, sell, or purchase as inducement to the policy, or in connection with the policy, any stocks, bonds, or other securities of any insurance company or other corporation, association, or partnership, or any dividends or profits accrued on the security, or anything of value not specified in the policy.”

6. R.I. Gen. Laws § 27-4-6(a) states:

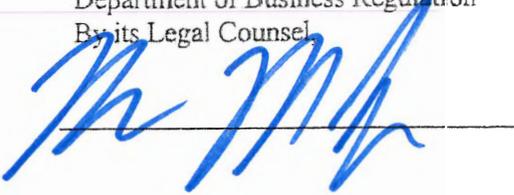
“No life insurance corporation doing business in this state, nor any insurance producer of the corporation, shall permit, offer, or make any contract of insurance or agreement as to any contract other than as plainly expressed in the policy issued on the contract or agreement; nor shall any company or any officer, insurance producer, or representative of the company or producer pay, allow, or give, or offer to pay, allow, or give, directly or indirectly, as inducement to any person to insure, or give, sell, or purchase, or offer to give, sell, or purchase as an inducement or in connection with any insurance... or any valuable consideration or inducement of any kind not specified in the policy, nor shall any person knowingly receive as an inducement any rebate of premium, or any special favor or advantage in the dividends or other benefits, or any paid employment or contract for services of any kind, or any valuable consideration or inducement of any kind, not specified in the policy.”

THEREFORE, based on the foregoing, Respondent and the Department have decided to resolve this matter without further administrative proceedings and hereby agree to the following:

- 1) Respondent admits the Facts listed above and acknowledges that rebating is prohibited under Rhode Island insurance laws.
- 2) Respondent agrees not to engage in rebating as defined in R.I. Gen. Laws §§ 27-29-4(8)(i) and 27-4-6(a).
- 3) Respondent agrees to inform other jurisdictions in which he is licensed to transact insurance business of this administrative action.
- 4) Waiver of Hearing and Appeal. By agreeing to resolve this matter through the execution of this Consent Order, Respondent knowingly and voluntarily waives any right to an administrative hearing and waives any right to pursue an appeal to the Superior Court under the Rhode Island Administrative Procedures Act, R.I. Gen. Laws § 42-35-1 et seq.
- 5) Enforcement. If the Respondent fails to comply with any term or condition of this Consent Order within any applicable time period set forth herein, the Respondent will be in violation hereunder and the Department shall be entitled to immediately take enforcement or other action in accordance with applicable law.
- 6) Compliance: Other Laws. Compliance with the terms on this Consent Order does not relieve the Respondent of any obligation to comply with other applicable laws or regulations administered by or through the Department or any other governmental agency.

Counsel for the Department and Respondent hereby consent and agree to the foregoing on behalf of their respective clients this 15th day of April 2019.

Department of Business Regulation
By its Legal Counsel



Dionys Garcia, Respondent

