

STATE OF ARIZONA

DEPARTMENT OF INSURANCE AND FINANCIAL INSTITUTIONS

In the Matter of:

DAVID TODD PHILLIPS
(National Producer No. 2041701)

No. 21A- 093 -INS

Respondent.

CONSENT ORDER

The Arizona Department of Insurance and Financial Institutions (“Department”) has received evidence that **David Todd Phillips (“Respondent”)** violated provisions of Title 20, Arizona Revised Statutes (“A.R.S.”). 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 is, and was at all material times, licensed as an Arizona resident insurance producer, National Producer Number 2041701, with lines of authority in Accident and Health or Sickness and Life insurance. The Department licensed Respondent on March 14, 1996. Respondent’s license is scheduled to expire on December 31, 2021.

2. Respondent’s business and mailing address of record with the Department is 2200 E. Williams Field Road, Suite 200, Gilbert, Arizona, 85295-0764. Respondent’s business email address of record with the Department is todd@epmez.com.

3. On or about November 18, 2020, the Financial Industry Regulatory Authority (“FINRA”) issued a Letter of Acceptance, Waiver, and Consent – a disciplinary action – for

1 “violating FINRA Rules 3280 and 2010.” Respondent consented to a nine (9) month
2 suspension from association with any FINRA member in any capacity and a \$5,000.00 fine.

3 4. Respondent failed to report FINRA’s disciplinary action to the Department
4 within thirty (30) days after final disposition of the matter as required by statute.

5 5. Respondent stated that he requested his assistant to upload a copy of the
6 FINRA action to the Attachment Warehouse section of the National Insurance Producer
7 Registry (“NIPR”) website. The assistant uploaded a copy of the action to the Background
8 Questions Supporting Document section of the NIPR website, which is used to supply
9 documents to pending applications that have been submitted. Respondent further stated his
10 assistant was unaware of the requirement to upload a copy of the FINRA action to the
11 Reporting of Actions section of the same website, which is the section used to report actions
12 to states outside of a pending application.

13 **CONCLUSIONS OF LAW**

14 6. The Director has jurisdiction over this matter.

15 7. Respondent’s conduct, as described above, constitutes a violation of Title 20
16 or any rule, subpoena or order of the Director, within the meaning of A.R.S. § 20-
17 295(A)(2).

18 8. Respondent’s conduct, as described above, constitutes failing to report to the
19 director within thirty days after the final disposition of the matter, any administrative
20 action taken against the producer in another jurisdiction or by another governmental
21 agency in this state within the meaning of A.R.S. § 20-301(A).

22 9. Grounds exist, in addition to or instead of any suspension or revocation, for the

1 Director to impose a civil penalty of not more than \$250.00 for each unintentional failure or
2 violation up to an aggregate civil penalty of \$2,500.00, or impose a civil penalty of not more
3 than \$2,500.00 for each intentional failure or violation, up to an aggregate civil penalty of
4 \$15,000.00, within the meaning of A.R.S. § 20-295(F).

5 **ORDER**

6 **IT IS HEREBY ORDERED THAT:**

7 David Todd Phillips shall immediately pay a civil money penalty in the amount of
8 two hundred fifty dollars (\$250.00).

9 Effective this 8th day of December, 2021.

10 

11 _____
Evan G. Daniels, Director
Arizona Department of Insurance and
12 Financial Institutions

13 **CONSENT TO ORDER**

14 1. Respondent has reviewed the foregoing Findings of Fact, Conclusions of Law
15 and Order.

16 2. Respondent admits to the jurisdiction of the Director of the Arizona
17 Department of Insurance and Financial Institutions and admits to the foregoing Findings of
18 Fact and consent to the entry of the foregoing Conclusions of Law and Order.

19 3. Respondent is aware of his right to notice and to a hearing, at which he may
20 be represented by counsel, present evidence and examine witnesses.

21 4. Respondent irrevocably waives his right to such notice and hearing and to any
22 court appeals relating to this Consent Order.

1 5. Respondent states that no promise of any kind or nature whatsoever, except as
2 expressly contained in this Consent Order, was made to induce him to enter into this
3 Consent Order and that he has entered into this Consent Order voluntarily.

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

8 7. Respondent acknowledges that this Consent Order is an administrative action
9 that the Department will report to the National Association of Insurance Commissioners
10 (NAIC). Respondent further acknowledges that they must report this administrative action
11 to any and all states in which they hold an insurance license and must disclose this
12 administrative action on any license application.

13
14
15
16
17
18
19
20
21
22

Nov. 23, 2021
DATE



DAVID TODD PHILLIPS
(NATIONAL PRODUCER NO. 2041701)

1 **COPY** of the foregoing delivered via email
this 9th day of December, 2021, to:

2 **DAVID TODD PHILLIPS**
3 2200 E. Williams Field Road, Suite 200
Gilbert, Arizona 85295-0764
4 todd@epmez.com.
Respondent

5 **COPY** of the foregoing delivered/mailed same date, to:

6 Deian Ousounov, Regulatory Legal Affairs Officer
7 Ana Starcevic, Paralegal Project Specialist
Cathy O'Neil, Consumer Regulatory Affairs Officer
8 Steven Fromholtz, Division Manager, Licensing
Linda Lutz, Legal Assistant, Licensing
9 Aqueelah Curie, Supervisor, Licensing
Dawn Lucero, Investigator
10 Arizona Department of Insurance and Financial Institutions
100 North 15th Avenue, Suite 261
11 Phoenix, Arizona 85007-2630

12 Francine Juarez

13
14
15
16
17
18
19
20
21
22