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**STATE OF ARIZONA**

**DEPARTMENT OF INSURANCE AND FINANCIAL INSTITUTIONS**

In the Matter of:

**No. 24A- 021 -INS**

**CONSENT ORDER**

**CAREY, JAMES BRENDAN**

(National Producer No. 8839608)

Respondent.

The Arizona Department of Insurance and Financial Institutions (“Department”) has received evidence that **James Brendan Carey (“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 8839608, with lines of authority in property, casualty, life, accident and health or sickness, and viable life and variable annuity insurance. The Department first licensed Respondent on June 26, 2006. Respondent’s license is scheduled to expire on June 30, 2026.

2. Respondent’s addresses of record with the Department are as follows: 5841 N 125th Ave. Litchfield Park, Arizona 85340-3813 (mailing); 7600 N 15th St., Ste. 150 Phoenix, Arizona 85020-4305 (business) and [brendancarey87@icloud.com](mailto:brendancarey87@icloud.com) and

1 [brendancarey@halloranins.com](mailto:brendancarey@halloranins.com) (email).

2 3. On or about August 17, 2023, Country Casualty Insurance Company  
3 (“Country Insurance”) filed a complaint with the Department alleging that Respondent  
4 “submitted altered documentation to provide insureds’ policies with a premium discount for  
5 which they did not qualify.”

6 4. The Department commenced an investigation into this matter. The  
7 Department’s investigation found the following:

8 a) Respondent submitted to Country Insurance false documentation related to  
9 roof repair/replacement in three (3) instances to qualify consumers for lower  
10 home insurance premiums based on Country Insurance’s ‘Roof Discount.’

11 b) For consumer K.M., Respondent submitted a receipt from Johnson Roofing,  
12 receipt number 17607, dated January 15, 2019, with the total of \$12,719.09  
13 billed to W.R., the previous owner of the property which he sold to K.M. on  
14 or about May 20, 2020. The receipt pertained to the work performed on the  
15 property located in Mesa, Arizona.

16 c) For consumers D.W. and R.W., husband and wife, Respondent submitted a  
17 receipt from Johnson Roofing, receipt number 17607, dated January 15, 2019,  
18 with the total of \$12,719.09 billed to D.W. The receipt pertained to the work  
19 performed on the property located in Litchfield Park, Arizona. The Deed of  
20 Trust, however, shows that D.W. and R.W. purchased their Litchfield Park,  
21 Arizona home on or about February 1, 2020.

22 d) For consumers Chris Spence and L.S., husband and wife, Respondent

1 submitted a receipt from Johnson Roofing receipt number 17607 dated  
2 January 15, 2019, with the total of \$12,719.09 billed to C.S. The receipt  
3 pertained to the job performed on the property located in Glendale, Arizona.  
4 The Warranty Deed, however, shows that C.S. and L.S. purchased their  
5 Glendale, Arizona home on or about November 3, 2021.

6 e) Each of the receipts submitted by Respondent contained the same company  
7 name (Johnson Roofing), the same receipt number (17607), the same date  
8 (January 15, 2019), the same job description and the amount billed in the ID  
9 description section of the receipt, and the same total billed for the work  
10 performed (\$12,719.09).

11 f) On or about September 13, 2023, the Department sent an email  
12 correspondence to Respondent advising him of Country Insurance's complaint  
13 and requesting a response and available records related to the complaint.

14 g) On or about October 5, 2023, the Department received Respondent's written  
15 response to the allegations. Regarding each of the policies, Respondent stated  
16 that consumers informed him that the roof was "recently updated," "new,"  
17 "relatively" or "fairly" new but the consumers did not provide him an invoice.  
18 Respondent further stated that he observed and took photograph of the  
19 consumers' roofs, thus he reasonably believed that the consumers qualified for  
20 the discounts. Respondent submitted "roof photos and generic invoice" to  
21 Country Insurance to qualify consumers for the Roof Discount the he believed  
22 applied.

1 h) On or about October 26, 2023, the Department conducted a virtual  
2 Examination Under Oath (“EUO”) of Respondent. During the EUO,  
3 Respondent admitted that he submitted fraudulent documents to Country  
4 Insurance related to homeowners’ insurance. Respondent further stated that  
5 he felt Country Insurance’s underwriting requirements were unnecessarily  
6 burdensome and unfair and that he generated the invoices with the intent to  
7 help his clients to obtain a discount which he felt they were entitled to receive.

8 **CONCLUSIONS OF LAW**

- 9 5. The Director has jurisdiction over this matter.
- 10 6. Respondent’s conduct, as described above, constitutes a violation of Title 20  
11 or any rule, subpoena or order of the Director. A.R.S. § 20-295(A)(2).
- 12 7. Respondent’s conduct, as described above, constitutes using fraudulent  
13 practices, or demonstrating untrustworthiness in the conduct of business in this state or  
14 elsewhere. A.R.S. § 20-295(A)(8).
- 15 8. Grounds exist, in addition to or instead of any suspension or revocation for the  
16 Director to impose a civil penalty of not more than \$250.00 for each unintentional failure or  
17 violation up to an aggregate civil penalty of \$2,500.00, or impose a civil penalty of not more  
18 than \$2,500.00 for each intentional failure or violation, up to an aggregate civil penalty of  
19 \$15,000.00. A.R.S. § 20-295(F).

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**ORDER**

**IT IS HEREBY ORDERED THAT:**

9. James Brendan Carey shall immediately pay to the Department a civil money penalty in the amount of **seven thousand five hundred dollars (\$7,500.00)**.

Effective this 1<sup>st</sup> day of April, 2024.

*Barbara D. Richardson*

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

1 **CONSENT TO ORDER**

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

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

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

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

21 5. Respondent acknowledges and agrees that failure to correct the violations set  
22 forth above in this Consent Order, or any repeat findings of the above violations in the

1 future, can result in disciplinary action which may include a greater civil money penalty and  
2 suspension or revocation of their licenses.

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

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

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3/25/2024  
DATE

James Brendan Carey  
JAMES BRENDAN CAREY  
(NATIONAL PRODUCER NO. 8839608)

1 **COPY** of the foregoing delivered via email  
this 1st day of April, 2024, to:

2 David R. Seidman, Esq.  
3 [david@hassettglasser.com](mailto:david@hassettglasser.com)  
4 Attorney for Respondent

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

6 Deian Ousounov, Chief Financial Deputy Director  
7 Alena Caravetta, Regulatory Legal Affairs Officer  
8 Ana Starcevic, Paralegal Project Specialist  
9 Cathy O'Neil, Consumer Regulatory Affairs Officer  
10 Steven Fromholtz, Division Manager, Licensing  
11 Linda Lutz, Legal Assistant, Licensing  
12 Aqueelah Currie, Licensing Supervisor  
13 Rachel Smith, Investigator  
14 Arizona Department of Insurance and Financial Institutions  
15 100 North 15th Avenue, Suite 261  
16 Phoenix, Arizona 85007-2630

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*Ana Starcevic*  
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