Department of Insurance and Financial Institutions
FILED August 24, 2020 by AS

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STATE OF ARIZONA
DEPARTMENT OF INSURANCE AND FINANCIAL INSTITUTIONS

In the Matter of:

STEPHENS, SHELLY RAE

(National Producer No. 16823845)

Respondent.

No. 20A-047-INS

**CONSENT ORDER** 

AUG 03 2020

DEPT OF FINANCIAL INSTITUTIONS

The Arizona Department of Insurance and Financial Institutions ("Department") has received evidence that **Shelly Rae Stephens** ("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 Finding of Fact are true, and consents to the entry of the following Conclusions of Law and Order.

## FINDINGS OF FACT

- 1. On or about November 29, 2017, Respondent submitted an application to the Department for a non-resident insurance adjuster license ("Application").
- 2. In the Application, under Background Questions, Respondent answered "No" to question 1.B.:

Have you ever been convicted of a felony, had a judgment withheld or deferred, or are you currently charged with a felony? You may exclude juvenile adjudications (offenses where you were adjudicated delinquent in a juvenile court).

- 3. Respondent answered "Yes" to the Attestation section of the Application.
- 4. On November 29, 2017, the Department issued Respondent a non-resident

insurance adjuster license, National Producer Number 16823845. Respondent's license is scheduled to expire on September 30, 2021.

- 5. Respondent's business and mailing address of record with the Department is 10168 South Barnsley Lane, South Jordan, UT 84009. Respondent's business e-mail address of record with the Department is <a href="mailto:Shelly.Stephens@sedgwickcms.com">Shelly.Stephens@sedgwickcms.com</a>.
- 6. On July 23, 2020, Respondent, by and through her attorney, notified the Department that she omitted material information from her 2017 license application; specifically, on February 27, 2017, she was convicted in the state of Utah of a third degree felony.
- 7. Per the April 13, 2017 Judgment, Sentence, Commitment Order of the Third District Court West Jordan, State of Utah, Respondent was found guilty and convicted for "unlawful sexual misconduct with 16 or 17 year old (amended), a third degree felony. The Court ordered Respondent to a term of 60 days in jail with credit for one (1) day served, and placed Respondent on probation for 60 months. At a Probation Review Hearing on September 24, 2019, the Court terminated the Respondent's probation and closed her case.

## CONCLUSIONS OF LAW

- 1. The Director ("Director") has jurisdiction over this matter.
- 2. Respondent's conduct, as described above, constitutes providing incorrect, misleading, incomplete or materially untrue information in the license application, within the meaning of A.R.S. § 20-295(A)(1).
- 3. Respondent's conduct, as described above, constitutes having been convicted of a felony, within the meaning of A.R.S. § 20-295(A)(6).

1	4. Grounds exist for the Director to suspend for not more than twelve months or
2	revoke Respondent's insurance adjuster license, pursuant to A.R.S. § 20-295(A).
3	5. Grounds exist, in addition to or instead of any suspension or revocation, for the
4	Director to impose a civil penalty of not more than \$250.00 dollars for each unintentional
5	failure or violation, up to an aggregate civil penalty of \$2,500.00, or impose a civil penalty of
6	not more than \$2,500.00 for each intentional failure or violation, up to an aggregate civil
7	penalty of \$15,000.00, within the meaning A.R.S. § 20-295(F).
8	ORDER
9	IT IS HEREBY ORDERED THAT:
10	1. Respondent shall immediately pay to the Department a civil penalty in the
11	amount of two hundred fifty dollars (\$250.00) for deposit in the State General Fund.
12	Effective this 21st day of August, 2020.
13	Evan I Dami
14	Evan G. Daniels, Director
15	Arizona Department of Insurance and Financial Institutions
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17	CONSENT TO ORDER
18	1. Respondent has reviewed the foregoing Findings of Fact, Conclusions of Law
19	and Order.

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of the foregoing Conclusions of Law and Order.

Department of Insurance and admits the foregoing Findings of Fact and consents to the entry

Respondent admits to the jurisdiction of the Director of the Arizona

- 3. Respondent is aware of her right to notice and to a hearing, at which she may be represented by counsel, present evidence and examine witnesses.
- Respondent irrevocably waives her right to such notice and hearing and to any 4. court appeals relating to this Consent Order.
- 5. Respondent states that no promise of any kind or nature whatsoever, except as expressly contained in this Consent Order, was made to induce her to enter into this Consent Order and that she has entered into this Consent Order voluntarily.
- Respondent acknowledges that the acceptance of this Consent Order by the 6. Director is solely to settle this matter against her and does not preclude any other agency, officer, or subdivision of this state including the Department from instituting civil or criminal proceedings as may be appropriate now or in the future not related to this matter.
- Respondent acknowledges that this Consent Order is an administrative action 7. that the Department will report to the National Association of Insurance Commissioners (NAIC). Respondent further acknowledges that she must report this administrative action to any and all states in which she holds an insurance license and must disclose this administrative action on any license application.

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1	ORIGINAL of the foregoing filed
2	this <u>24th</u> day of <u>August</u> , 2020, in the office of:
2	Evan G. Daniels, Director
3	Arizona Department of Insurance and Financial Institutions
	Attn: Ana Starcevic
4	100 North 15 <sup>th</sup> Avenue, Suite 261 Phoenix, AZ 85007-2630
5	Ana.starcevic@difi.az.gov
6	COPY of the foregoing delivered/emailed same date, to:
7	Tasha N. Cycholl
	Kutak Rock LLP
8	8601 N. Scottsdale Rd., Ste-300
	Scottsdale, AZ 85253-2738
9	tasha.cycholl@kutakrock.com
10	Attorney for Respondent
10	Shelly Rae Stephens
11	10168 S. Barnsley Ln
	South Jordan, UT 84009
12	Respondent
13	COPY of the foregoing delivered/emailed same date, to:
14	Deian Ousounov, Regulatory Legal Affairs Officer Ana Starcevic, Paralegal Project Specialist
15	Catherine M. O'Neil, Consumer Legal Affairs Office Steven Fromholtz, Assistant Director, Licensing Division
16	Aqueelah Currie, Licensing Supervisor
	Wendy Greenwood, Investigator
17	Linda Lutz, Consumer Protection Division
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	Francine Martinez Francine Martinez
21	1 TAMPATTA TATACATA
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