

STATE OF ARIZONA
Department of Insurance and Financial Institutions
FILED April 25, 2024 by AS

STATE OF ARIZONA

DEPARTMENT OF INSURANCE AND FINANCIAL INSTITUTIONS

In the Matter of:

No. 24A-036-INS

CONSENT ORDER

DALY, JUSTIN IAN

(National Producer No. 8449180)

Respondent.

The Arizona Department of Insurance and Financial Institutions (“Department”) has received evidence that **Justin Ian Daly** (“**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 8449180, with lines of authority in casualty, property, accident and health or sickness, life, and variable life and variable annuity insurance. The Department first licensed Respondent on June 14, 2007. Respondent’s license is scheduled to expire on June 30, 2027.

2. Respondent’s addresses of record with the Department are as follows: 4241 East Marino Drive, Phoenix, Arizona 85032-1733 (business and mailing) and justin.daly@assuredpartners.com and tracy.phegley@assuredpartners.com (email).

1 3. On or about June 24, 2022, the Department received a letter from Liberty
2 Mutual Insurance Company (“Liberty Mutual”) notifying the Department that Respondent
3 was “terminated ... for violating Company policies.”

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

6 a) Per Liberty Mutual’s investigative report Respondent wrote multiple active
7 policies for the same vehicles or properties affecting 40 consumers. The
8 report found that consumers may have been aware of the primary policies,
9 they were, however, unaware of the additional policies because Respondent
10 changed consumers’ contact information on the record with Liberty Mutual
11 and thus, they did not receive a notice of the additional policy(es).

12 b) Respondent bound insurance policies for consumers without their knowledge
13 and used false banking information. Upon consumers’ “failure” to pay the
14 insurance premium payments, Liberty Mutual referred the “delinquent
15 accounts” to collection agencies. Respondent issued 67 policies containing
16 false banking information affecting 37 consumers.

17 c) Further, Respondent bound additional policies for at least 6 existing policies
18 without consumers’ knowledge. The consumers contacted Liberty Mutual to
19 request cancellation of these policies upon learning of their existence.

20 d) On or about April 10, 2023, the Department conducted a virtual Examination
21 Under Oath (“EUO”) of Respondent. During the EUO, Respondent
22 maintained that he issued duplicate policies for the same consumers due to

1 “convoluted reports from clients regarding the occupancy of their addresses”
2 and “personal matters” that prevented him from perform at the usual standard.
3 Although Respondent initially denied any wrongdoing, upon further
4 questioning he admitted that “[t]here were some” instances where he “put an
5 account number in to hold it while waiting for the actual payment info from
6 [consumers].”

7 **CONCLUSIONS OF LAW**

- 8 5. The Director has jurisdiction over this matter.
- 9 6. Respondent’s conduct, as described above, constitutes a violation of Title 20
10 or any rule, subpoena or order of the Director. A.R.S. § 20-295(A)(2).
- 11 7. Respondent’s conduct, as described above, constitutes using fraudulent,
12 coercive or dishonest practices, or demonstrating incompetence, untrustworthiness or
13 financial irresponsibility in the conduct of business in this state or elsewhere. A.R.S. § 20-
14 295(A)(8).
- 15 8. Respondent’s conduct, as described above, constitutes presenting untrue
16 statements of material fact or statement that fails to state any material fact with respect to an
17 application for the insurance or renewal of an insurance policy. A.R.S. § 20-463(A)(1)(a).
- 18 9. Grounds exist, in addition to or instead of any suspension or revocation for the
19 Director to impose a civil penalty of not more than \$250.00 for each unintentional failure or
20 violation up to an aggregate civil penalty of \$2,500.00, or impose a civil penalty of not more
21 than \$2,500.00 for each intentional failure or violation, up to an aggregate civil penalty of
22 \$15,000.00. A.R.S. § 20-295(F).

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ORDER

IT IS HEREBY ORDERED THAT:

10. Justin Ian Daly shall immediately pay to the Department a civil money penalty in the amount of **five thousand dollars (5,000.00)**.

Effective this 25th day of April, 2024.

Barbara D. Richardson

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

CONSENT TO ORDER

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

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

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

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

5. Respondent acknowledges and agrees that failure to correct the violations set 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 its license.

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.

11
12 4-19-2024

DATE

Justin Daly

JUSTIN IAN DALY

(NATIONAL PRODUCER NO. 8449180)

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1 **COPY** of the foregoing delivered via email
this 25th day of April, 2024, to:

2 Justin Ian Daly
3 4241 East Marino Drive
Phoenix, Arizona 85032-1733
4 justin.daly@assuredpartners.com
tracy.phegley@assuredpartners.com
5 Respondent

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

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

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14 *Ana Starcevic*

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