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**BEFORE THE UTAH INSURANCE COMMISSIONER**

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| <p>UTAH INSURANCE DEPARTMENT,<br/><br/>Complainant,<br/><br/>vs.<br/><br/>ANTHONY T. DAVIS,<br/><br/>Respondent.</p> | <p><b>NOTICE OF INFORMAL<br/>ADJUDICATIVE PROCEEDING AND<br/>ORDER</b></p> <p>Docket No. 2020-4207</p> <p>Lisa Watts Baskin<br/>Presiding Officer</p> |
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**NOTICE OF INFORMAL ADJUDICATIVE PROCEEDING**

The Utah Insurance Department (“Department”) commences this informal adjudicative proceeding against Respondent Anthony T. Davis (“Respondent”) pursuant to Utah Code §§ 31A-2-201 and 63G-4-201 through -203 and Utah Admin. Code R590-160.

This informal adjudicative proceeding is based on the facts and law set forth in the attached Declaration and is designated as an informal adjudicative proceeding pursuant to Utah Code § 63G-4-202(1) and Utah Admin. Code R590-160-4 and -8.

**ORDER**

Based on the facts and the law set forth in the attached Declaration, and good cause appearing, the Utah Insurance Commissioner orders as follows:

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1. Respondent's non-resident producer individual insurance license is revoked.

2. Pursuant to Utah Code § 63G-4-203(1)(i) and Utah Admin. Code R590-160-8(1), this informal adjudicative proceeding shall be deemed closed, and this Order shall become final and take full effect, 15 days after this Notice of Informal Adjudicative Proceeding and Order is mailed to Respondent unless a request for a hearing on this matter is received from Respondent prior to that date.

3. A request for a hearing shall be sent by email to [uidadmincases@utah.gov](mailto:uidadmincases@utah.gov) or by U.S. mail to Office of the Administrative Law Judge, Utah Insurance Department, 3110 State Office Building, Salt Lake City, UT 84114. The request for hearing shall be signed by the person making the request and shall state the basis for the relief requested.

4. If you fail to request a hearing you will be bound by this Order. Failure to request a hearing will be deemed a failure to exhaust administrative remedies and will preclude any further administrative or judicial review or appeal of this matter.

DATED this 16<sup>th</sup> day of April, 2020.

TODD E. KISER  
Utah Insurance Commissioner

  
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LISA WATTS BASKIN  
Presiding Officer  
Utah Insurance Department  
3110 State Office Building  
Salt Lake City, UT 84114  
801-538-3860  
Email: [uidadmincases@utah.gov](mailto:uidadmincases@utah.gov)

**NOTICE REGARDING ENFORCEMENT OF THE ORDER**

Failure to obey the Order may subject you to further penalties that include forfeitures of up to \$2,500 per violation, license suspension or revocation, and/or further enforcement action before the Utah District Court where forfeitures of up to \$10,000 may be imposed. If you are licensed in other jurisdictions, you may be required to report this proceeding to those jurisdictions.

## **DECLARATION**

Under criminal penalty of Utah law, I, William Stimpson, declare the following:

1. I am currently employed as a market conduct investigator for the Utah Insurance Department (“Department”) where my responsibilities include investigating and enforcing Utah insurance laws.

2. I submit this Declaration as the basis for issuing the Notice of Informal Adjudicative Proceeding and Order against Anthony T. Davis (“Respondent”) to which this Declaration is attached.

3. Based on my personal knowledge and/or based on the facts appearing in the Department’s records and files, the following facts are true:

a. Respondent is a non-resident individual producer holding license no. 693863.

b. Respondent’s last known address is 3303 N. Lakeview Dr., Apt. # 4105, Tampa Bay, FL 33618.

c. On September 19, 2018, Freedom Life Insurance Company of America (“Freedom”) appointed Respondent to conduct insurance business on its behalf in Utah.

d. On December 10, 2019, Freedom notified the Department that it had terminated Respondent’s appointment for cause for engaging in fraudulent conduct.

### **Freedom’s Audit of Business Respondent Submitted to the Company**

e. Freedom conducted an audit of business that Respondent had submitted to the company and discovered that Respondent had engaged in the following fraudulent conduct:

### **Client 1**

Client 1, Respondent's former client, contacted Freedom about a debit from Client 1's account for a policy that had been cancelled two months prior. Client 1 provided Freedom with a bank statement showing the debit. Upon reviewing the statement, Freedom discovered that the debit was for another of Respondent's clients who had recently applied for a policy. Client 1 did not know this other individual.

### **Client 2**

Client 2 contacted Freedom about a debit from Client 2's account for premiums. Client 2 had not applied for insurance with Freedom. Client 2 provided Freedom with a bank statement. Upon reviewing the statement, Freedom discovered that the debit was for another of Respondent's clients who had recently applied for a policy. Client 2 did not know this other individual.

### **Client 3**

Client 3 contacted Freedom about a debit from Client 3's account for a policy that had been cancelled several months prior. Client 3 provided Freedom with a bank statement showing the debit. Upon reviewing the statement, Freedom discovered that the debit was for another of Respondent's clients who had recently applied for a policy. Client 3 did not know this other individual.

### **Other Instances of Respondent's Fraudulent Conduct**

Through its audit, Freedom also discovered that the addresses, phone numbers and bank accounts listed for many of Respondent's clients were false, or that information belonged to someone else.

Freedom also discovered that a relatively large portion of Respondent's clients were canceling their policies before coverage took effect. Freedom discovered that these clients were cancelling their policies by notifying Respondent by email, and/or because their initial drafts were being returned unpaid, and/or the policy packets were being returned as undeliverable due to an invalid address.

#### **Respondent's Failure to Respond to Freedom**

Freedom shared the results of the audit with Respondent. Freedom determined that Respondent's explanations regarding the audit's findings were not plausible and requested a formal statement from him. Respondent did not respond to Freedom's request for a formal statement.

#### **The Department's Attempts to Contact Respondent**

f. The Department attempted to contact Respondent via email at the following two email addresses: [anthony.davis@ushadvisors.com](mailto:anthony.davis@ushadvisors.com) and [ambitionanthony@aol.com](mailto:ambitionanthony@aol.com). The "ushadvisors" email address was that of his former employer and was no longer valid. The Department received no response from the other email address. The Department has no other email addresses for Respondent.

g. Respondent has not updated his contact information in SIRCON, nor has he done so with the Department.

h. I attempted to contact Respondent by phone on February 24, 2020 and February 26, 2020. I left voicemail messages for Respondent on both occasions. Respondent has not returned my phone calls.

4. Based upon the aforementioned paragraphs, the following Utah insurance laws were not complied with:

a. Utah Code § 31A-23a-111(5)(b)(xxiv), engaging in a method or practice in the conduct of business that endangers the legitimate interests of the customers and public.

b. Utah Code § 31A-2-202(4)(a), failing to reply promptly to a reasonable inquiry from the Commissioner.

c. Utah Code § 31A-23a-412(1), failing to register and maintain an address, one or more telephone numbers, and a valid business email address at which the Commissioner may contact licensee. Failing to change contact information within 30 days.

5. Based on the aforementioned paragraphs and law set forth above, Respondent's non-resident producer individual insurance license should be revoked.

Signed on this 16th day of April, 2020, at Salt Lake City, Utah.

/s/William Stimpson  
William Stimpson  
Market Conduct Investigator  
Utah Insurance Department