

**NORTH CAROLINA DEPARTMENT OF INSURANCE
RALEIGH, NORTH CAROLINA
DOCKET NO. 1810**

**STATE OF NORTH CAROLINA
COUNTY OF WAKE**

**BEFORE THE COMMISSIONER
OF INSURANCE**

**IN THE MATTER OF
THE LICENSURE OF
DARRIN DEWAYNE PHILLIPS
(NPN #17126319)**

**ORDER AND FINAL AGENCY
DECISION**

This matter was heard on Thursday, September 22, 2016, by the undersigned Hearing Officer, as designated by the Commissioner of Insurance pursuant to N.C. Gen. Stat. § 58-2-55. The administrative hearing was held in Room #3099 of the Dobbs Building, located at 430 North Salisbury Street, Raleigh, Wake County, North Carolina. Assistant Attorney General LaShawn S. Piquant represented the North Carolina Department of Insurance, Agent Services Division (hereinafter, "Agent Services"). Licensed non-resident Darren Dewayne Phillips (hereinafter, "Respondent") was not present for the proceeding.

After careful consideration of the evidence and the arguments presented, and based on the record as a whole, the undersigned Hearing Officer hereby makes the following Findings of Fact and Conclusions of Law:

Findings of Fact

1. This matter was noticed for hearing on September 22, 2016. The Notice of Hearing was properly served on Respondent by certified US Mail at the residential address provided by the United States Postal Service: Darrin Dewayne Phillips, 2525 Highway 360, Apt. 1424, Euless, TX 76039-8503. Service was indicated by the return receipt signed by Respondent.
2. On or about March 7, 2014, Respondent was issued his non-resident Accident & Health or Sickness and Life insurance producer licenses by the Department. Respondent's licenses are currently active.
3. Respondent is also currently licensed as an insurance producer by his resident state of Texas. Respondent is also currently licensed as a producer in several other states, including Louisiana.
4. Respondent applied to the Florida Department of Financial Services (hereinafter, "Florida") for insurance agent licensure. On July 24, 2014, Florida notified Respondent in writing of the application denial based on Respondent's prior criminal conviction in Texas.

5. Respondent failed to report the administrative action involving Florida's application denial to the Department.
6. On or about October 12, 2015, the Louisiana Department of Insurance (hereinafter, "Louisiana") determined that Respondent failed to notify its office of the administrative action taken by Florida. Louisiana then took administrative action by issuing a fine against Respondent in the amount of two hundred and fifty dollars (\$250.00).
7. Respondent failed to report the administrative action taken by Louisiana involving his insurance producer licenses to the Department.
8. North Carolina General Statutes §58-33-32(k) provides that "a producer shall report to the Commissioner any administrative action taken against the producer in another state . . . within 30 days after the final disposition of the matter."
9. Respondent's failure to report administrative action taken in another state violates N.C. Gen. Stat. §58-33-32 which provides substantial grounds for administrative action pursuant to N.C. Gen. Stat. §58-33-46(a)(2). N.C. Gen. Stat. §58-33-46(a)(2) provides that the Commissioner may place on probation, suspend, revoke or refuse to renew any license for violating the insurance laws of this or any other state, violating any administrative rule, subpoena, or order of the Commissioner or of another state's insurance regulator, or violating any rule of FINRA.
10. Respondent is in violation of North Carolina insurance laws, specifically N.C. Gen. Stat. §§58-33-32 and 58-33-46.

Conclusions of Law

1. This matter is properly before the North Carolina Commissioner of Insurance (hereinafter "Commissioner"), and the Commissioner has jurisdiction over the parties and the subject matter pursuant to N. C. Gen. Stat. §§58-33-46, as well as 11 N.C.A.C. 1.0401 *et seq.* and other applicable statutes and regulations.
2. The Notice of Hearing was properly served pursuant to Rule 4 of the North Carolina Rules of Civil Procedure.
4. Respondent's actions provide sufficient grounds for suspension, probation, revocation or nonrenewal of his licenses as set out in N.C. Gen. Stat. §§58-33-46 and 58-33-32.
5. Respondent is in violation of N.C. Gen. Stat. §58-33-32(k) by failing to report administrative action by both Florida and Louisiana's insurance licensing agencies.
6. Respondent's violations of N.C. Gen. Stat. §58-33-32(k) provide sufficient grounds for administrative action to be taken against his insurance licenses pursuant to N.C. Gen. Stat. §58-33-46(a)(2).

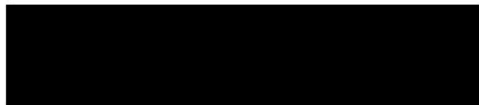
7. The evidence presented at the hearing, in the form of testimony and the exhibits introduced, is sufficient to support adverse administrative action against the Respondent's licenses.
8. Additionally, pursuant to 11 NCAC 1.0423(a)(1), if a party fails to appear at a hearing or fails to comply with an interlocutory order of the hearing officer, the hearing officer may find that the allegations of or the issues set out in the notice of hearing or other pleading may be taken as true or deemed to be proved without further evidence. The allegations contained in the Notice of Hearing are taken as true pursuant to 11 NCAC 1.0423(a)(1), and provide independent and alternative grounds sufficient to support a revocation of Respondent's license.
9. In lieu of or in addition to revoking or suspending Respondent's licenses, the Commissioner may order a monetary penalty pursuant to N.C. Gen. Stat. § 58-2-70.
10. Pursuant to N.C.G.S. § 58-2-70(d), a civil penalty of \$250 for failing to report the Florida administrative action and a civil penalty of \$250 for failing to report the Louisiana administrative action, for a total penalty of \$500, should be imposed on the Respondent.

Based on the foregoing Finding of Facts and Conclusions of Law, the Hearing Officer enters the following:

Order

Respondent is hereby ordered to pay monetary civil penalties to the North Carolina Department of Insurance in the amount of five hundred dollars (\$500) by no later than January 5, 2017. The check for the payment of these civil penalties shall be made payable to the "North Carolina Department of Insurance." These civil penalties shall be subject to disbursement in accordance with the provisions of Article IX, Section 7 of the North Carolina Constitution for the benefit of the public schools.

This the 15th day of November, 2016.



Stewart Johnson, Hearing Officer
N.C. Department of Insurance

APPEAL RIGHTS: This Order may be appealed to Superior Court within 30 days of receipt, as set forth in the General Statutes of North Carolina.

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing **Order and Final Agency Decision** by certified US mail, return receipt requested, first class postage prepaid, addressed as follows:

Darrin Dewayne Phillips
2525 Highway 360
Apt. 1424
Eules, TX 76039-8503

This the 16th day of November, 2016.



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