

NOV 15 1999

STATE OF ARIZONA  
DEPARTMENT OF INSURANCE

DEPT. OF INSURANCE  
BY CB

In the Matter of:	)	
	)	No. 99A-195-INS
<b>PARISH MAC DAVIS,</b>	)	
Respondent.	)	<b>FINDINGS OF FACT, CONCLUSIONS OF LAW AND ORDER</b>
<hr/>		

On September 30, 1999, the Arizona Department of Insurance ("Department") issued a Notice of Hearing (the "Notice") in the above-captioned matter, a copy of which is attached and incorporated by this reference. The Notice required Parish Mac Davis ("Respondent") to provide a written answer to the allegations set forth in the Notice within twenty days of the issuance of the Notice. As of this date, Respondent has failed to file an answer. On November 10, 1999, counsel for the Department filed a Request for Default, and Proposed Findings of Fact, Conclusions of Law and Order. As of this date, Respondent has not responded to the Department's request. Pursuant to A.A.C. R20-6-106(C), a party that fails to file an answer within the time provided shall be deemed to be in default and one or more of the allegations in the notice of hearing may be deemed to be admitted.

**FINDINGS OF FACT**

1. Notice was proper.
2. Respondent is in default.
3. The allegations in the Notice are deemed admitted.

**CONCLUSIONS OF LAW**

1. The conduct alleged in the Notice constitutes grounds for the Director to suspend, revoke or refuse to renew Respondent's licenses to transact insurance in Arizona, pursuant to A.R.S. §20-316(A).
2. The conduct alleged in the Notice constitutes grounds for the Director to impose a civil penalty, pursuant to A.R.S. §20-316(C).

1 ORDER

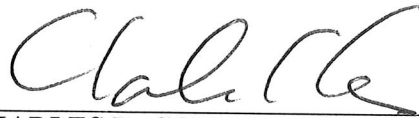
2 IT IS ORDERED:

3 1. All insurance licenses held by Respondent are revoked effective upon the issuance  
4 of this Order.

5 2. Respondent shall pay a civil penalty in the amount of \$ 1500.00 to the Director  
6 payable upon entry of this Order for remission to the State Treasurer for deposit in the State  
7 General Fund.

8 3. The hearing set for November 22, 1999 at 9:00 a.m. shall be vacated.

9 DATED this 12<sup>th</sup> day of November, 1999.

10 

11 \_\_\_\_\_  
12 CHARLES R. COHEN, Director  
Arizona Department of Insurance

13 COPY of the foregoing mailed this  
14 15th day of November 1999, to:

15 Administrative Law Judge  
16 Office of Administrative Hearings  
1400 West Washington, Suite 101  
Phoenix, AZ 85007

17 Michael J. De La Cruz  
18 Assistant Attorney General  
1275 West Washington  
Phoenix, AZ 85007

19 Sara Begley, Deputy Director  
20 Gerrie L. Marks, Executive Assistant for Regulatory Affairs  
21 John Gagne, Assistant Director  
22 John McCormick, Investigator  
Maureen Catalioto, Supervisor  
23 Department of Insurance  
2910 N. 44th Street, Suite 210  
Phoenix, AZ 85018

24 Parish Mac Davis  
25 2200 Georgia Street  
Gary, Indiana 46407  
26 Respondent

1 Parish Mac Davis  
ACI Telecentrics of Illinois  
2 8789 Louisiana #C  
Merrillville, Indiana 46407  
3 Respondent

4 Peoples Benefits Life Insurance Company  
20 Moores Road  
5 Frazer, Pennsylvania 19355

6 Veterans Life Insurance Company  
20 Moores Road  
7 Frazer, Pennsylvania 19355

8 

9  
95389 [CPA99-203]

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DEPT. OF INSURANCE  
BY BB

1 RECEIVED STATE OF ARIZONA

2 DEPARTMENT OF INSURANCE

3 In the Matter of:	)	No. 99A- 195-INS
4 PARISH MAC DAVIS,	)	NOTICE OF HEARING
5 Respondent.	)	

6  
7 PLEASE TAKE NOTICE that pursuant to the provisions of Arizona Revised Statutes  
8 ("A.R.S.") §§ 20-161 through and including 20-165, 41-1061 through and including 41-1066 and 41-  
9 1092.02, the above-captioned matter will be heard before the Director of Insurance of the State of  
10 Arizona (the "Director"), or his duly designated representative, on the 22nd day of November, 1999,  
11 at 9:00 AM at Office of Administrative Hearings, 1400 West Washington Street, Suite 101, Phoenix,  
12 Arizona 85007 (the "Hearing").

13 Motions to continue this matter shall be made in writing to the Administrative Law Judge not  
14 less than five (5) business days prior to the date set for the hearing. A copy of any motions to continue  
15 shall be mailed or hand-delivered to the opposing party on the same date of filing with the Office of  
16 Administrative Hearings.

17 A.R.S. § 20-164(B) entitles any person affected by this Hearing to appear in person and by  
18 counsel, to be present during the giving of all evidence, to have a reasonable opportunity to inspect  
19 all documentary evidence, to examine witnesses, to present supporting evidence and to have subpoenas  
20 issued by the Administrative Law Judge to compel attendance of witnesses and production of  
21 evidence.

22 If Respondent is represented by counsel, the attorney shall be licensed to practice law in the  
23 State of Arizona or, if Respondent is an insurer, it may be represented by a corporate officer, pursuant  
24 to A.R.S. § 20-161(B).

25 Pursuant to A.R.S. §-41-1092.07(D), a clear and accurate record of the proceedings will be  
26 made by a court reporter or by electronic means. Any party that requires a transcript of the  
proceedings shall pay the cost of the transcript to the court reporter or other transcriber.

1 Questions concerning issues raised in this Notice of Hearing should be directed to Assistant  
2 Attorney General Michael J. De La Cruz (602) 542-3702, 1275 West Washington, Phoenix, Arizona  
3 85007.

4 NOTICE OF APPLICABLE RULES

5 On January 23, 1992, the Arizona Department of Insurance adopted A.A.C. R20-6-101  
6 through R20-6-115, setting forth the rules of practice and procedure applicable in contested cases  
7 before the Director of Insurance. The hearing will be conducted pursuant to these rules.

8 PURSUANT TO A.A.C. R20-6-106, RESPONDENT SHALL FILE A WRITTEN  
9 ANSWER WITHIN 20 DAY AFTER ISSUANCE OF THIS NOTICE OF HEARING AND  
10 SHALL MAIL OR DELIVER A COPY OF THE ANSWER TO THE ASSISTANT ATTORNEY  
11 GENERAL DESIGNATED ABOVE. THE ANSWER SHALL STATE RESPONDENT'S  
12 POSITION OR DEFENSE AND SHALL SPECIFICALLY ADMIT OR DENY EACH  
13 ASSERTION IN THE NOTICE OF HEARING. ANY ASSERTION NOT DENIED SHALL BE  
14 DEEMED TO BE ADMITTED. ANY DEFENSE NOT RAISED IN ANSWER SHALL BE  
15 DEEMED WAIVED. IF AN ANSWER IS NOT TIMELY FILED, RESPONDENT SHALL BE  
16 DEEMED IN DEFAULT AND THE DIRECTOR MAY DEEM THE ALLEGATIONS ARE  
17 TRUE, AND TAKE WHATEVER ACTION IS APPROPRIATE, INCLUDING SUSPENSION,  
18 REVOCATION, DENIAL OF A LICENSE, OR DENIAL OF RENEWAL OF A LICENSE,  
19 IMPOSITION OF A CIVIL PENALTY AND/OR ORDER RESTITUTION TO ANY PARTY  
20 INJURED:

21 PERSONS WITH DISABILITIES MAY REQUEST REASONABLE  
22 ACCOMMODATIONS SUCH AS INTERPRETERS, ALTERNATIVE FORMATS, OR  
23 ASSISTANCE WITH PHYSICAL ACCESSIBILITY. REQUESTS FOR ACCOMMODATIONS  
24 SHOULD BE MADE AS EARLY AS POSSIBLE TO ALLOW TIME TO ARRANGE THE  
25 ACCOMMODATIONS. IF YOU REQUIRE ACCOMMODATIONS, PLEASE CONTACT THE  
26 OFFICE OF ADMINISTRATIVE HEARINGS AT 542-9826.

1 The Department alleges:

2 1. Respondent Parish Mac Davis a.k.a. Paris Davis ("Respondent") is currently, and  
3 was at all material times, licensed as a non-resident life and disability insurance agent in the state  
4 of Arizona (License No. 30612), which license expires September 30, 1999.

5 **COUNT I**

6 2. On or about May 1, 1992, Respondent filed an original application for an individual  
7 non-resident life and disability insurance agent's license (the "1992 Application") with the Arizona  
8 Department of Insurance (the "Department").

9 3. Question C(1) on the 1992 Application asks:

10 Have you **ever** been convicted of a felony?

11 Respondent answered "No" to Question C(1) on the 1992 Application.

12 4. Question C(3) on the 1992 Application asks:

13 Have you **ever** been served a criminal summons, questioned, arrested, taken  
14 into custody, indicted, charges with, tried for, or ever been the subject of an  
15 investigation concerning the violation of any felony or misdemeanor, or any  
16 charges now pending against you?

17 Respondent answered "No" to Question C(3) on the 1992 Application.

18 5. On or about April 8, 1975, Respondent, after a jury trial, was convicted of the felony  
19 of robbery in Lake County, Indiana, State of Indiana v. Paris Davis, Cause No. CR 274-817 (the "1975  
20 Felony Conviction"). The Court sentenced Respondent to serve not less than 10 years and no more  
21 than 25 years in prison. The Court gave Respondent credit for 135 days time served.

22 6. Respondent failed to disclose the 1975 Felony Conviction on the his 1992 Application.

23 **COUNT II**

24 7. On or about March 31, 1995, Respondent filed an application for an individual non-  
25 resident life and disability insurance agent's license (the "March 1995 Application") with the  
26 Department.

...

1 8. Section F on the March 1995 Application asks:

2 ...

3 Have you **EVER** been convicted of a felony?

4 Have you **EVER** been arrested, questioned, served a criminal summons, taken  
5 into custody, charged with, tried for, or ever been the subject of an  
6 investigation concerning the violation of any felony or misdemeanor - or are  
7 any charges now pending against you? (Include all incidents - no matter how  
8 minor the infraction or whether guilty or not, whether expunged, set aside,  
9 reversed or dismissed. Exclude **ONLY** minor traffic violations which resulted  
10 in a penalty not exceeding \$100.00 or anything that happened before your 18th  
11 birthday).

12 ...

13 Respondent answered "No" to both of the above questions contained in Section F of the March 1995  
14 Application.

15 9. Respondent failed to disclose the 1975 Felony Conviction on the March 1995  
16 Application.

### 17 **COUNT III**

18 10. On or about September 18, 1995, Respondent filed an application to renew his life and  
19 disability insurance agent's license (the "September 1995 Renewal Application") with the Department.

20 11. Question G(3) on the September 1995 Renewal Application asks:

21 **HAVE YOU EVER BEEN CONVICTED OF** a felony or misdemeanor that  
22 you have not previously reported to this department (in writing) in any prior  
23 license application (new or renewal)?

24 Respondent answered "No" to Question G(3) on the September 1995 Renewal Application.

25 12. Respondent failed to disclose the 1975 Felony Conviction on the September 1995  
26 Renewal Application.

### 27 **COUNT IV**

28 13. On or about September 11, 1997, Respondent filed an application to renew his life and  
29 disability insurance agent's license (the "1997 Renewal Application") with the Department.

30 ...

1           14.     Section V, Question A of the 1997 Renewal Application asks:

2                     Have you been convicted of a felony that has not previously been disclosed by  
3                     you to this agency in a license application?

4     Respondent answered "Yes" to Question A on the 1997 Renewal Application and disclosed the 1975  
5     Felony Conviction to the Department.

6           15.     Section V, Question D(4) of the 1997 Renewal Application asks:

7                     D.     Have you had any judgment, order or other determination, including  
8                     any criminal conviction issued or made against you in any criminal,  
9                     civil, administrative or other judicial or quasi-judicial proceeding of  
10                    any kind in any jurisdiction that has not previously been disclosed by  
11                    you to this agency in a license application based on any of the  
12                    following:

13                    ...

14                    4) Fraud or misrepresentation?

15     Respondent answered "No" to Question D(4) on the 1997 Renewal Application.

16           16.     On or about March 21, 1997, the Commissioner of the Indiana Department of Insurance  
17     issued a Final Order In the Matter of Mr. Parish M. Davis, Cause No. 4901-AG97-006, whereby the  
18     Commissioner approved an Agreed Entry that was entered into between Respondent and the Indiana  
19     Department of Insurance. Pursuant to the Agreed Entry, Respondent admitted to having wrongfully  
20     provided inaccurate information on his Indiana insurance agent license application regarding whether  
21     he had ever been convicted of a felony. Respondent also admitted that his conduct constituted a  
22     violation of Indiana Code 27-1-15.5-8(a)(1) and 27-1-15.5-8(a)(7). The Commissioner ordered that,  
23     based on Respondent's admittedly wrongful conduct, the Indiana Department of Insurance issue to  
24     Respondent, a formal Letter of Reprimand, and that Respondent agree to the issuance of said Letter  
25     of Reprimand.

26           17.     Respondent failed to disclose the above-mentioned administrative order issued by the  
27     Commissioner of the Indiana Department of Insurance on the 1997 Renewal Application.

28     ...

29     ...



1 VIOLATIONS

2 18. Respondent's conduct as alleged above constitutes the wilful misrepresentation of  
3 any fact required to be disclosed in any such application or accompanying statement within the  
4 meaning of A.R.S. § 20-291(G).

5 19. Respondent's conduct constitutes the wilful violation of, or wilful noncompliance  
6 with, any provision of Title 20, or any lawful rule, regulation or order of the director within the  
7 meaning of A.R.S. § 20-316(A)(2).

8 20. Respondent's conduct as alleged above constitutes the existence of  
9 misrepresentation or fraud in obtaining or attempting to obtain any insurance license, in violation  
10 of A.R.S. § 20-316(A)(3).

11 21. Respondent's conduct as alleged above constitutes a conviction by final judgment  
12 of a felony involving moral turpitude, in violation of A.R.S. § 20-316(A)(6).

13 22. Grounds exist for the Director to suspend, revoke or refuse to renew Respondent's  
14 insurance licenses, impose a civil penalty upon him, and/or order restitution, pursuant to A.R.S. §§  
15 20-316(A) and 20-316(C).

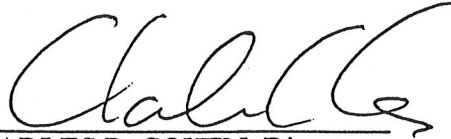
16 WHEREFORE, if after hearing, the Director makes a finding of one or more of the above-  
17 described allegations, the Director may suspend, revoke or refuse to renew Respondent's insurance  
18 licenses, pursuant to A.R.S. §§ 20-290(B), 20-316(A) and 20-316(C).

19 Pursuant to A.R.S. § 20-150, the Director of Insurance delegates the authority vested in the  
20 Director of Insurance of the State of Arizona, whether implied or expressed, to the Director of the  
21 Office of Administrative Hearings or his designee to preside over the hearing of this matter as the  
22 Administrative Law Judge, to make written recommendations to the Director of Insurance  
23 consisting of proposed findings of fact, proposed conclusions of law and a proposed order. The  
24 delegation does not include delegation of the authority of the Director of Insurance to make the  
25 order on hearing or other final decision in this matter.

26 ...

1 Pursuant to A.R.S. § 41-1092.01, your hearing will be conducted through the Office of  
2 Administrative Hearings, an independent agency. Please find enclosed a copy of the procedures to  
3 be followed.

4 DATED this 30<sup>th</sup> day of September, 1999.

5  
6 

7 CHARLES R. COHEN, Director  
8 Arizona Department of Insurance

9 COPY of the foregoing mailed  
10 this 1st day of October, 1999, to:

11 Administrative Law Judge  
12 Office of Administrative Hearings  
13 1400 West Washington, Suite 101  
14 Phoenix, Arizona 85007

15 Michael J. De La Cruz  
16 Assistant Attorney General  
17 1275 West Washington, Room 259  
18 Phoenix, Arizona 85007  
19 Attorneys for the Department

20 Sara M. Begley, Deputy Director  
21 Gerrie L. Marks, Executive Assistant for Regulatory Affairs  
22 John Gagne, Assistant Director  
23 John McCormick, Investigator  
24 Maureen Catalioto, Supervisor  
25 Department of Insurance  
26 2910 North 44th Street, Suite 210  
Phoenix, Arizona 85018

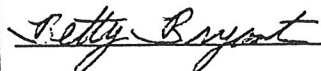
Parish Mac Davis  
2200 Georgia Street  
Gary, Indiana 46407  
Respondent

Parish Mac Davis  
ACI Telecentrics of Illinois  
8799 Louisiana #C  
Merrillville, Illinois 46407  
Respondent

1 A courtesy copy of this Notice of Hearing has been mailed/ delivered to the persons listed  
2 below. If you are listed below, you will receive no further notices or documents concerning this  
3 matter other than the director's final order. Information about the status of this matter, including  
4 whether the hearing date has been changed, may be obtained by contacting the Department of  
5 Insurance at (602) 912-8454 or the Assistant Attorney General identified above, at (602) 542-3702.

6  
7 Peoples Benefits Life Insurance Company  
8 20 Moores Road  
9 Frazer, Pennsylvania 19355

Veterans Life Insurance Company  
20 Moores Road  
Frazer, Pennsylvania 19355

10  
11  \_\_\_\_\_

12 78733