

STATE OF ARIZONA

DEPARTMENT OF INSURANCE AND FINANCIAL INSTITUTION

In the Matter of:

**BUTLER, STUART THOMAS**

(National Producer No. 18350776)

Respondent.

No. 22A-012-INS

**CONSENT ORDER**

The Arizona Department of Insurance and Financial Institutions (“Department”) has received evidence that **Stuart Thomas Butler (“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 18350776, with lines of authority in accident and health or sickness, casualty, life, and property insurance. The Department first licensed Respondent on March 16, 2017. Respondent’s license is scheduled to expire on January 31, 2025.

2. Respondent’s business and mailing address of record with the Department is 16025 South 50<sup>th</sup> Street, Apt. 2066, Phoenix, Arizona 85048-5014. Respondent’s business email address of record with the Department is [Stuart@Stuartbinsuranceagency.com](mailto:Stuart@Stuartbinsuranceagency.com).

1 3. In February 2020, the Department received a referral from Farm Bureau  
2 Property and Casualty Insurance Company (“Farm Bureau”) alleging fraudulent activities  
3 by Respondent.

4 4. The Department commenced an investigation into this matter.

5 5. The Department’s investigation determined that:

- 6 • Respondent fraudulently created insurance policies for consumers without  
7 their authorization by forging the signatures of at least eight (8) individuals on  
8 the policy signature form.
- 9 • Respondent forged consumer signatures on at least seven (7) Electronic Funds  
10 Transfer Authorization forms.
- 11 • Respondent made at least four (4) premium payments from accounts  
12 associated with him in regard to the unauthorized policies he created not in his  
13 own name.

14 6. On or about November 11, 2021, the Department conducted an Examination  
15 Under Oath (“EUO”) of Respondent. Respondent, refused to answer questions relating to  
16 his involvement in the effectuation of the unauthorized policies by invoked Fifth  
17 Amendment against self-incrimination. Respondent failed to provide any evidence to  
18 contradict the findings that he created the unauthorized policies without consumer consent.

19 7. During the course of the investigation, the Department also determined that  
20 Respondent failed to timely update his contact information on record with the Department.

21 **CONCLUSIONS OF LAW**

22 8. The Director has jurisdiction over this matter.

1           9.      Respondent’s conduct, as described above, constitutes a violation of Title 20  
2 or any rule, subpoena or order of the Director. A.R.S. § 20-295(A)(2).

3           10.     Respondent’s conduct, as described above, constitutes using fraudulent,  
4 coercive or dishonest practice, or demonstrating incompetence, untrustworthiness or  
5 financial responsivity in the conduct of business in this state or elsewhere. A.R.S. § 20-  
6 295(A)(8).

7           11.     Respondent’s conduct, as described above, constitutes forging another’s name  
8 to any document related to an insurance transaction. A.R.S. § 20-295(A)(10).

9           12.     Respondent’s conduct, as described above, constitutes failing to inform the  
10 Director within thirty days of any changes in residential, business or e-mail address. A.R.S.  
11 § 20-286(C)(1).

12           13.     Grounds exist for the Director to suspend, revoke, or refuse to renew  
13 Respondent’s insurance license pursuant to A.R.S. § 20-295(A).

14                                 **ORDER**

15           **IT IS HEREBY ORDERED THAT:**

16           Stuart Thomas Butler’s Arizona insurance producer license, number 18350776, is  
17 revoked effective immediately.

18           Effective this 27th day of April, 2022.

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21   Evan G. Daniels, Director  
22   Arizona Department of Insurance and Financial Institutions

1 **CONSENT TO ORDER**

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

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

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

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

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1           5.       Respondent waives all rights to seek an administrative or judicial review or  
2 otherwise to challenge or contest the validity of this Consent Order and its accompanying  
3 parts before any court of competent jurisdiction.

4           6.       Respondent acknowledges that this Consent Order is an administrative action  
5 that the Department will report to the National Association of Insurance Commissioners  
6 (NAIC). Respondent further acknowledges that it must report this administrative action to  
7 any and all states in which Respondent holds an insurance license and must disclose this  
8 administrative action on any license application.

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10       3/11/2022  
11       DATE

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**STUART THOMAS BUTLER**  
(NATIONAL PRODUCER NO. 18350776)

1 **COPY** of the foregoing delivered via email  
this 29th day of April, 2022, to:

2  
3 Stuart Thomas Butler  
4 16025 South 50<sup>th</sup> Street, Apt. 2066  
5 PHOENIX, AZ 85048-5014  
6 [Stuart@Stuartbinsuranceagency.com](mailto:Stuart@Stuartbinsuranceagency.com)  
7 Respondent

8 **COPY** of the foregoing delivered/emailed same date, to:

9 Deian Ousounov, Assistant Director  
10 Ana Starcevic, Paralegal Project Specialist  
11 Cathy O'Neil, Consumer Regulatory Affairs Officer  
12 Steven Fromholtz, Division Manager, Licensing  
13 Linda Lutz, Legal Assistant, Licensing  
14 Aqueelah Currie, Licensing Supervisor  
15 Wendy Greenwood, Investigations Manager  
16 Arizona Department of Insurance and Financial Institutions  
17 100 North 15th Avenue, Suite 261  
18 Phoenix, Arizona 85007-2630

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