



**BEFORE THE COMMISSIONER OF COMMERCE AND INSURANCE  
FOR THE STATE OF TENNESSEE**

**TENNESSEE SECURITIES DIVISION** )  
)  
)  
                  **Petitioners,** )  
                  **v.** )  
)  
**KIMBERLY B. PHILLIPS, DANIEL L.** )  
**EARLEY, AND PHILLIPS CAPITAL GROUP** )  
**LLC.,** )  
)  
                  **Respondent.** )  
)

**APD No.: 12.06-243176J**  
**Matter No.: 21-01277**

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**CONSENT ORDER**

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The Securities Division of the Tennessee Department of Commerce and Insurance (“Division”), and Kimberly B. Phillips (“Respondent Phillips”), Daniel L. Earley (“Respondent Earley”), and Phillips Capital Group (“Respondent Phillips Capital”)(collectively “Respondents”) hereby stipulate and agree to the entry and execution of this Consent Order, subject to the approval of the Commissioner of the Tennessee Department of Commerce and Insurance (“Commissioner”) as follows:

**I. GENERAL STIPULATIONS**

1. It is expressly understood that this Consent Order is subject to and requires the Commissioner’s acceptance and has no force and effect until such acceptance is evidenced by the Commissioner’s signature and execution of this Consent Order. Entry and execution of this Consent Order by the Commissioner shall occur once the Commissioner signs and dates this Consent Order.

2. This Consent Order is entered into by the Respondents for the purpose of avoiding further administrative action with respect to this cause. Should this Consent Order not be accepted by the Commissioner, it is agreed that presentation to and consideration of this Consent Order by the Commissioner shall not unfairly or illegally prejudice the Commissioner from further participation or resolution of these proceedings.

3. The Respondents fully understand that this Consent Order will in no way preclude additional proceedings by the Commissioner against the Respondents for acts and/or omissions not specifically addressed in this Consent Order nor for facts and/or omissions that do not arise from the facts or transactions addressed herein.

4. The Respondents fully understand that this Consent Order will in no way preclude proceedings by state government representatives, other than the Commissioner, for violations of the law addressed specifically in this Consent Order, or for violations of the law under statutes, rules, or regulations of the State of Tennessee, which may arise out of the facts, acts, or omissions contained in the Statements of Fact and Conclusions of Law stated herein, or which may arise as a result of the execution of this Consent Order.

5. The Respondents expressly waive all further procedural steps and all rights to seek a hearing, judicial review, or to otherwise challenge or contest the validity of this Consent Order, the stipulations and imposition of discipline contained herein, and the consideration and entry and execution of this Consent Order by the Commissioner.

6. The Respondents fully understand that this Consent Order, when entered, will constitute a public document for purposes of any applicable statutes governing public access to government records.

## **II. AUTHORITY AND JURISDICTION**

7. The Commissioner has jurisdiction over securities matters pursuant to Tennessee Code Annotated (“Tenn. Code Ann.”) §§ 48-1-101 to 48-1-201 *et seq.* of the Tennessee Securities Act of 1980, as amended (“Act”). The administration of the Act is vested in the Commissioner pursuant to Tenn. Code Ann. § 48-1-115.

## **III. PARTIES**

8. The Tennessee Securities Division is the lawful agent through which the Commissioner administers the Securities Act pursuant to Tenn. Code Ann. § 48-1-115, and it is authorized to bring this action based on the finding that such action is in the public interest, necessary for the protection of investors, and consistent with the purposes fairly intended by the policy and provisions of the Act, pursuant to Tenn. Code Ann. §§ 48-1-112 and 48-1-116.

9. Respondent Phillips, domiciled in Knoxville, TN, has never been registered with the Division.

10. Respondent Earley, domiciled in Michigan, has never been registered with the Division.

11. Respondent Phillips Capital, domiciled in Knoxville, TN, has never been registered with the Division.

## **IV. STATEMENTS OF FACT**

12. On February 7, 2020, the Financial Services Investigation Unit (“FSIU”) of the Tennessee Department of Commerce and Insurance (“TDCI”) received a written complaint from Ruth Bramblett (“Ruth”), a resident of Nevada, regarding the Respondents.

13. Ruth alleged that the Respondents sold her and her husband, Rick Bramblett (“Bramblett”), a contract offering a \$50,000 investment to finish a filing for a Brazilian Z bond

("Z Bond"). Additionally, Ruth alleged that the Z Bond filing was never completed and that the \$50,000 investment with the Respondents was never returned to them.

14. As a result, Order of Investigation # 2020-0012 was issued on March 2, 2020, authorizing an investigation into the Respondents.

15. Investigators reviewed a copy of a document titled "Term Sheet." The terms include an investment of \$50,000 and a 25% return of the net proceeds to the following equally: Daniel Dona, Phillips Capital Group, Investors (the Bramblets and Bob Barra), and unnamed facilitators. Additionally, the Term Sheet states that Respondent Phillips Capital was retained as a Power of Attorney "to complete the sale of the bond."

16. Investigators learned that Respondent Earley instructed the Bramblets in the Term Sheet to directly send the \$50,000 to Daniel Dona ("Dona"), the holder of the Z Bond.

17. Respondent Earley signed the Term Sheet as "Principle" and "Lead" on behalf of Respondent Phillips Capital.

18. The Z Bond was purported to be an official bond issued by the Brazilian government.

19. Respondent Phillips was involved in a group telephone meeting with the Bramblets and served as a point of contact on behalf of Respondent Phillips Capital on at least one occasion.

20. In early 2017, Respondent Earley discussed with the Bramblets another bond that would be referred to as the Bovespa bond.

21. The Bramblets claim that Respondent Earley advised that if they helped with the costs of the Bovespa bond, the Bramblets would recover their initial investment of \$50,000 and generate a return of between \$500,000 and \$750,000.

22. The Bramblets sent \$2,300 in two wire transactions (\$1,000 on or about April 7,

2017, and \$1,300 on or about April 24, 2017) for this bond. The Brambletts never received any money back or return on this investment.

#### **V. CONCLUSIONS OF LAW**

23. Tenn. Code Ann. § 48-1-104 states, in pertinent part:
- (a) It is unlawful for any person to sell any security in this state unless:
    - (1) It is registered under this part;
    - (2) The security or transaction is exempted under § 48-1-103; or
    - (3) The security is a covered security.
  - (b) The commissioner may, after notice and opportunity for a hearing under the Uniform Administrative Procedures Act, compiled in title 4, chapter 5, impose a civil penalty against any person found to be in violation of this section, or any rule or order adopted or issued under this section, in an amount not to exceed ten thousand dollars (\$10,000) per violation, or in an amount not to exceed twenty thousand dollars (\$20,000) per violation if an individual who is a designated adult is a victim.
24. Tenn. Code Ann. § 48-1-109 states, in pertinent part:
- (a) It is unlawful for any person to transact business from, in, or into this state as a broker-dealer or agent unless such person is registered as a broker-dealer or agent under this part . . .[.]
  - ...
  - (b) It is unlawful for any person to transact business from, in, or into this state as an investment adviser or investment adviser representative unless:
    - (1) The person is registered as an investment adviser or investment adviser representative under this part;
    - (2) The person is required to register as an investment adviser pursuant to § 203 of the Investment Advisers Act of 1940 (15 U.S.C. § 80b-3); provided, however, that an initial notice filing, consisting of any documents filed with the securities and exchange commission, a consent to service of process, and a nonrefundable fee of one hundred dollars (\$100) shall be filed with the commissioner or the commissioner's

designee, with payment of any reasonable costs charged by the designee for processing such filings, ten (10) days prior to the person acting as an investment adviser; and a renewal notice filing containing such information as the commissioner by rule requires and a nonrefundable fee of one hundred dollars (\$100) shall be filed with the commissioner or the commissioner's designee, with payment of any reasonable costs charged by the designee for processing such filing for each successive year in which such person acts as such investment adviser; every notice filing of an investment adviser expires annually, unless timely renewed, on December 31 of each year; or

(3) The person's only clients in this state are insurance companies.

(e) The commissioner may, after notice and an opportunity for a hearing under the Uniform Administrative Procedures Act, compiled in title 4, chapter 5, impose a civil penalty against any person found to be in violation of this section, or any rule or order adopted or issued under this section, in an amount not to exceed ten thousand dollars (\$10,000) per violation, or in an amount not to exceed twenty thousand dollars (\$20,000) per violation if an individual who is a designated adult is a victim.

25. Tenn. Code Ann. § 48-1-116 states:

(e)(4) The commissioner may, after notice and opportunity for a hearing pursuant to the Uniform Administrative Procedures Act, compiled in title 4, chapter 5, enter an order of restitution, disgorgement, including interest and legal interest, or rescission directed to a person who has violated this chapter, a rule authorized by this chapter, or an order issued pursuant to this chapter. Restitution, disgorgement, or rescission is in addition to any other remedy or penalty provided for under this chapter.

26. Based on the Statements of Fact above, the Respondents sold two (2) unregistered securities in violation of § 48-1-104.

27. Based on the Statements of Fact above, the Respondents sold two (2) securities and provided investment advice while they were not registered as a broker-dealer, broker-dealer agent, investment adviser, or investment adviser representative in violation of § 48-1-109.

28. The Commissioner finds the following relief appropriate, in the public interest, and necessary for the protection of investors.

29. The Respondents hereby acknowledge the Commissioner's authority to administer the statutes cited herein, concede that the interpretation of the statutes cited herein is reasonable and enforceable, and agree to the Commissioner's entry and execution of this Consent Order, including each of the following sanctions ordered below.

#### **VI. ORDER**

**NOW, THEREFORE**, based on the foregoing, including the Respondents' waiver of the right to a hearing and appeal under the Act and the Tennessee Uniform Administrative Procedures Act, Tenn. Code Ann. §§ 4-5-101 *et seq.*, and the Respondents' admission to the jurisdiction of the Commissioner, the Commissioner finds that the Respondents agree to the entry and execution of this Consent Order to settle this matter as evidenced by the Respondents' signatures.

**IT IS ORDERED**, pursuant to Tenn. Code Ann. §§ 48-1-112, and 48-1-116 that:

30. The Respondents **CEASE AND DESIST** violating the Securities Act;
31. The Respondents agree to a **PERMANENT BAR** from the securities industry;
32. The Respondents be ordered to pay **RESTITUTION** to Ruth and Rick Bramblett in the amount of thirty-three thousand dollars (\$33,000) within one (1) year from the Commissioner's execution of this Consent Order;
33. The Respondents shall pay **CIVIL PENALTIES** in the amount of two thousand five hundred dollars (\$2,500) as to each named Respondent within one (1) year from the

Commissioner's execution of this Consent Order. If the Respondents pay the above-referenced restitution to Ruth and Rick Bramblett on or before December 31, 2026, and provide proof of such restitution to the Division, then the Respondents shall, instead, pay **CIVIL PENALTIES** in the amount of five hundred dollars (\$500) as to each named Respondent. The payment of such civil penalty shall be made by check payable to the Tennessee Department of Commerce and Insurance. Page one (1) of this order must accompany payment for reference. Payment shall be mailed to:

**State of Tennessee  
Department of Commerce and Insurance  
Legal Division  
Attn: Alex Corder  
Davy Crockett Tower  
500 James Robertson Parkway  
Nashville, TN 37243**

34. This Consent Order represents the complete and final resolution of and discharge of all administrative and civil claims, demands, actions, and causes of action by the Commissioner against the Respondents for violations of the Act with respect to the transactions involved in the above-referenced facts. However, excluded from and not covered by this paragraph are any claims by the Division arising from or relating to the enforcement of the Consent Order provisions contained herein.

35. This Consent Order is in the best interest of both the public and the parties, and it represents a compromise and settlement of the controversy between the parties. By signature affixed below, the Respondents state that they have (1) freely agreed to the entry and execution of this Consent Order; (2) effectively consulted with legal counsel in this matter; (3) reviewed the Statements of Fact and Conclusions of Law contained herein; and (4) waived their right to a hearing on the matters underlying this Consent Order and the enforcement of this Consent Order.

The Respondents further state that no threats or promises of any kind have been made by the Commissioner, the Division, or any agent or representative thereof with regard to this Consent Order.

36. By signing this Consent Order, the parties affirmatively state their agreement to be bound by the terms of this Consent Order and aver that no promises or offers relating to the circumstances described herein, other than the terms of the settlement as set forth herein, are binding upon them.

37. This Consent Order may be executed in two (2) or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same document. The facsimile, email, or other electronically delivered signatures of the parties shall be deemed to constitute original signatures, and facsimile or electronic copies shall be deemed to constitute duplicate originals.

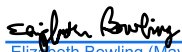
ENTERED AND EXECUTED May 22, 2026.



Carter Lawrence (May 22, 2026 15:45:55 CDT)

Carter Lawrence, Commissioner  
Department of Commerce and Insurance

**APPROVED FOR ENTRY AND EXECUTION:**



Elizabeth Bowling (May 21, 2026 10:02:53 CDT)

Elizabeth Bowling, Assistant Commissioner  
Tennessee Securities Division  
Department of Commerce and Insurance

05/21/2026

Date



\_\_\_\_\_  
Phillips Capital Group, Inc.  
Print Name: \_\_\_\_\_  
Title: \_\_\_\_\_

\_\_\_\_\_  
Date


\_\_\_\_\_  
Kimberly B. Phillips

\_\_\_\_\_  
Date

  
\_\_\_\_\_  
Daniel L. Earley


5-18-26

\_\_\_\_\_  
Date

  
\_\_\_\_\_  
Print Name: NICHOLAS P. BUNSTINE  
Counsel for the Respondents  
Address: 800 S. Gay St  
SUITE 2001  
KNOXVILLE, TN 37929

5-18-26

\_\_\_\_\_  
Date

  
\_\_\_\_\_  
Print Name: Deacon R. Manning  
Counsel for the Respondents  
Address: 800 S. Gay St, Ste 2001  
KNOXVILLE, TN 37929

5-18-26

\_\_\_\_\_  
Date

*Alex G. Corder*  
\_\_\_\_\_  
Alex G. Corder  
Associate Counsel  
Tennessee Department of Commerce and Insurance  
500 James Robertson Parkway, Davy Crockett Tower  
Nashville, TN 37243  
Alex.Corder@tn.gov

05/19/2026

\_\_\_\_\_  
Date