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STATE OF ALASKA  
DEPARTMENT OF COMMERCE, COMMUNITY, AND ECONOMIC DEVELOPMENT  
DIVISION OF INSURANCE

In the Matter of: )  
)  
ZACHARY J. KINNEY )  
)  
License Applicant )  
)  
)

Case No. D 15-05

STIPULATED AGREEMENT AND ORDER

The Division of Insurance (division) and Zachary J. Kinney (Kinney), the license applicant in this case, stipulate and agree to the following:

I. BACKGROUND

A. On or about November 7, 2014, the division received from Kinney an application for an individual producer property and casualty authority license.

B. One question on the application asks whether the applicant has ever been convicted of a misdemeanor or felony; had a judgment withheld or deferred; or was currently charged with committing a misdemeanor or felony. Kinney responded affirmatively to this question but failed to submit the supplemental documentation pertaining to his conviction.

1  
2 C. The division subsequently received the supplemental documentation necessary  
3 to process Kinney's application. The documents revealed that on July 3, 2013, Kinney pled  
4 guilty to possession of a controlled substance (marijuana) in the District Court of the Sixth  
5 Judicial District of Idaho, Case No. CR-2013-3203, as part of a withheld judgment agreement,  
6 for which Kinney is currently serving 4 years' supervised probation.

7  
8 D. On or about August 6, 2014, Kinney submitted an application for an Idaho  
9 resident insurance producer license to the Idaho Department of Insurance (Idaho department).  
10 Along with his Idaho application materials, Kinney submitted a supporting letter from his  
11 probation officer, and a certificate of completion from an outpatient drug and alcohol  
12 rehabilitation program.

13 E. On or about November 4, 2014, in *Stipulation and Order Issuing Temporary*  
14 *License Pursuant to Idaho Code § 41-1015(2)*, Docket No. 18-2964-14 (Idaho Stipulation and  
15 Order), the director of the Idaho department adopted an order issuing Kinney a temporary  
16 Idaho insurance producer license. The director's order made the issuance of the Idaho license  
17 subject to the terms of the stipulation entered into between Kinney and the Idaho department,  
18 and provided a license term for a period of one hundred and eighty days from the date of  
19 issuance unless earlier revoked. Kinney's temporary Idaho license had an effective date of  
20 December 29, 2014.

21  
22 F. AS 21.27.020 sets forth the general qualifications for licensure in this state.  
23 AS 21.27.020(a) provides: "For the protection of the people of this state, the director may not  
24 issue or renew a license except in compliance with this chapter and may not issue a license to a  
25 person, or to be exercised by a person, found by the director to be untrustworthy, incompetent,

26 Zachary J. Kinney  
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or who has not established to the satisfaction of the director that the person is qualified under this chapter."

G. To qualify for issuance or renewal of an individual license, AS 21.27.020(b)(4) requires the applicant or licensee to be a trustworthy person.

H. Under AS 21.27.410(a)(7), the director may deny issuance of or not renew a license or may suspend or revoke a license issued under this chapter for conviction of a felony.

II. TERMS OF AGREEMENT

1. Kinney agrees to the issuance by the division of a conditional license under the following conditions:

i. All terms of the Idaho Stipulation and Order are to be completed successfully by Kinney.

ii. Kinney agrees that the conduct for which he was convicted, if occurring under a license, would constitute a violation of AS 21.27.410(a)(7).

iii. The conditional license is predicated on Kinney not violating any laws. If Kinney violates any laws or regulations, Kinney shall notify the division within ten days of being charged with or receiving notification of the violation.

iv. If Kinney violates the insurance laws and regulations while issued a conditional license, the division will take administrative action to suspend or revoke the license issued to him and Kinney shall be subject to any and all sanctions authorized by law, including the imposition of additional penalties regarding such violation.


Zachary J. Kinney  
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2. Kinney understands that this agreement is not binding on the parties unless and until the director signs the order adopting this agreement.

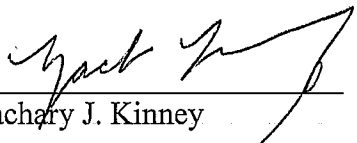
DATED: 3/13/2015

DIVISION OF INSURANCE

By:   
Linda Brunette  
Program Coordinator

DATED: 3/10/2015

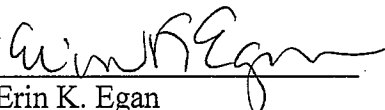
ZACKARY J. KINNEY

By:   
Zachary J. Kinney

Approved as to form and content:

DATED: 3/17/15

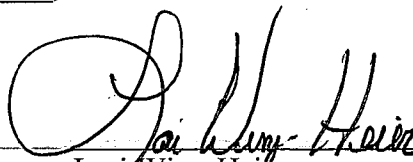
CRAIG W. RICHARDS  
ATTORNEY GENERAL

By:   
Erin K. Egan  
Assistant Attorney General

ORDER

IT IS ORDERED that this Stipulated Agreement and Order is adopted in full resolution of the issues in this case, and shall constitute the final order in this matter.

DATED this 19<sup>th</sup> day of March, 2015.

  
Lori Wing-Heier  
Director

Zachary J. Kinney  
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