

BEFORE THE IOWA INSURANCE COMMISSIONER

IN THE MATTER OF

KENESHA DARLINGTON

NPN 19576376,

DOB 06/05/XXXX,

Respondent.

) Division Case No. 120693

) **FINDINGS OF FACT,**
) **CONCLUSIONS OF LAW**
) **AND FINAL ORDERS**
)
)

The Commissioner has taken up for consideration the Iowa Insurance Division's Motion for Default Order, filed February 5, 2025, by Amanda Robinson and Meara Kearney as the attorneys representing the Iowa Insurance Division ("Division"). Respondent Kenesha Darlington, ("Darlington"), did not file an answer to the Statement of Charges or provide a timely response to the Division's Motion for Default. As a result, the Division's Motion for Default was sustained, and the Commissioner entered judgment in favor of the Division against Darlington in an interlocutory order of default on February 10, 2025. In the interlocutory order, the Commissioner also set a hearing to determine the issue of monetary relief for April 2, 2025, at 9:00 a.m.

At the hearing on monetary relief on April 2, 2025, the Division appeared by counsel. Darlington did not appear.

PARTIES AND JURISDICTION

1. The Commissioner of Insurance, Douglas M. Ommen, directly and through his designees, administers and enforces Iowa Code chapters 507B—Insurance Trade Practices and 522B—Licensing of Insurance Producers pursuant to Iowa Code § 505.8.

1. Kenesha Darlington ("Darlington") is an individual with a last-known residence address of 5911 Toscana Drive, Apartment 1117, Davie, Florida 33314.

2. Darlington was licensed in the state of Iowa as a nonresident insurance producer from November 4, 2020, until her license expired on June 30, 2024. Darlington is licensed under National Producer Number 19576376.

3. Pursuant to Iowa Code § 522B.11(5), the Commissioner may enforce the provisions of Iowa Code chapters 522B and 507B "against any person who is under investigation for, or charged with, a violation of either chapter even if the person's license has been surrendered or has lapsed by operation of law."

4. Pursuant to Iowa Code § 505.28, Darlington consented to the jurisdiction of the Commissioner of Insurance by committing acts governed by Iowa Code chapters 507B and 522B.

5. From on or about August 2023, to present, Darlington engaged in acts and practices within the state of Iowa constituting cause for probation, suspension, or revocation of her insurance producer license; cease and desist orders; and civil penalties or other relief under Iowa Code chapters 505, 507B, 522B, and rules adopted pursuant to these chapters.

FINDINGS OF FACT

6. Darlington applied for a nonresident insurance producer license with the Division by submitting a Uniform Application for Individual Producer License ("Uniform Application") through the National Insurance Producer Registry. In submitting the Uniform Application, Darlington designated the Commissioner as an agent for service of process.

7. The Division issued Darlington a license as a nonresident insurance producer on November 4, 2020. Darlington is licensed under National Producer Number 19576376. Darlington currently holds an active resident insurance producer license in Florida.

8. Darlington was appointed with Freedom Life Insurance Company of America (“Freedom Life”) from November 5, 2020, to October 10, 2023, when she was terminated for cause.

August 2023 Insurance Applications

9. In or around September of 2023, Freedom Life opened an internal investigation into Darlington’s sale of twenty-one life insurance policies in August of 2023. These applications were submitted electronically via Darlington’s producer log-in credentials. All applications listed the same bank account and routing numbers for payment of premiums, but the applicants were otherwise seemingly unrelated and not associated with a small business group. All twenty-one applicants were females, all applications listed “0000” as the last four digits of the applicants’ social security numbers, and seventeen of the twenty-one applications listed the applicants’ employer as “ANALYST” and occupation as “COMPUTER AND MATHEMATICAL OCCUPATION.”

10. Additionally, Freedom Life found that all of the phone numbers listed on these applications were invalid or incorrect, and when the printed policy packets were mailed to these twenty-one consumers, sixteen of the policy packets were returned as undeliverable.

11. All twenty-one applications initially received preliminary approval, but no policies were issued due to non-payment of the initial premiums because of insufficient funds in the associated bank account.

12. Freedom Life has no calls on file from any of the twenty-one applicants in question inquiring about the applications or non-issuance of the policies.

13. Freedom Life was unable to determine if any of the twenty-one applicants were in fact real people and concluded that Darlington supplied false information on at least twenty-one insurance applications.

14. Freedom Life paid advance commissions to Darlington for the submission of these applications in the amount of \$49,172.44. Freedom Life has received no reimbursement from Darlington for these advance commissions.

15. It was reported by Freedom Life that none of Darlington's conduct occurred in the state of Iowa (Exhibit 1, Attachment A).

16. On October 10, 2023, Freedom Life terminated Darlington's employment for cause for submitting applications containing false information.

Division Investigation

17. On October 13, 2023, the Division received Freedom Life's termination for cause letter regarding Darlington.

18. On October 27, 2023, a Division investigator sent Darlington a Request for Information letter ("RFI") and an attached Termination for Cause Questionnaire ("TFC") via the email provided in her licensing records, requesting a response within ten days.

19. On October 31, 2023, Darlington replied to the investigator's email requesting clarification on the Division's allegations of misconduct against her. On November 1, 2023, the investigator emailed Darlington the Freedom Life termination letter and requested that Darlington complete and submit the RFI and TFC questionnaires and provide information about her interaction with Wisconsin's Office of the Commissioner of Insurance.

20. On November 4, 2023, Darlington emailed the Division investigator requesting an extension of the deadline for her responses to the RFI and TFC questionnaires so that she could obtain legal counsel. On November 6, 2023, the investigator emailed Darlington, granting her an extension until November 20, 2023. Darlington did not respond to the RFI and TFC questionnaires by November 20, 2023.

21. On November 29, 2023, the Division investigator sent a follow-up email to Darlington, provided another copy of the RFI and TFC questionnaire, and advised Darlington to respond by December 1, 2023.

22. To date, Darlington has not responded to any of the Division's RFIs and TFC questionnaires.

Wisconsin Action

23. Darlington held a nonresident insurance producer license in Wisconsin until her Wisconsin license was permanently revoked on May 28, 2024.

24. On May 28, 2024, Wisconsin's Office of the Commissioner of Insurance ("OCI") issued a Final Decision and Order finding that Darlington provided false information to an insurer, failed to respond to an inquiry from insurance regulators, lacked good character, and committed repeated or knowing violations of insurance laws, and it permanently revoked Darlington's nonresident Wisconsin insurance producer license.

25. To date, Darlington has not reported the Wisconsin licensing action to the Division.

South Dakota and Delaware Actions

26. After the expiration of her Iowa nonresident producer license, Darlington was the subject of two additional state regulatory actions.

27. Darlington held a nonresident insurance producer license in South Dakota until her South Dakota license was permanently revoked on September 5, 2024.

28. Darlington held a nonresident insurance producer license in Delaware until her Delaware license was permanently revoked on November 12, 2024. Darlington was also fined \$500.00 in the final order on this action.

CONCLUSIONS OF LAW

COUNT I

Unfair Trade Practices

29. Under Iowa Code § 507B.4(3) “a person **shall not engage in this state** in any trade practice which is defined in this chapter as, or determined pursuant to section 507B.6 to be, an unfair method of competition, or an unfair or deceptive act or practice in the business of insurance” (emphasis added).

30. Iowa Code § 507B.4(3)(n) defines as an unfair trade practice “[m]aking false or fraudulent statements or representations on or relative to an application for an insurance policy, for the purpose of obtaining a fee, commission, money, or other benefit from any insurer, agent, broker, or individual.”

31. Darlington made false or fraudulent statements on at least twenty-one insurance applications submitted electronically via her producer login credentials for the purpose of obtaining a commission in which she listed the same bank account information for unrelated individuals on all twenty-one applications, listed invalid or incorrect social security numbers on all twenty-one applications, listed invalid or incorrect phone numbers on all twenty-one applications, and provided incorrect or undeliverable addresses for at least sixteen of these applications. However, none of this conduct occurred in this state.

32. We find that Darlington’s acts and practices did not violate Iowa Code §§ 507B.3 and 507B.4 as her conduct was not in this state.

COUNT II

Other State Action

33. Under Iowa Code § 522B.11(1)(i), a license may be subject to probation, suspension, or revocation and civil penalties may be levied, as provided in Iowa Code § 522B.17, for “[h]aving

an insurance producer license, or its equivalent, denied, suspended, or revoked in any other state, province, district, or territory.”

34. On May 28, 2024, Wisconsin permanently revoked Darlington’s insurance producer license for making a false communication relating to an insurance contract by completing insurance applications using false information and for failing to respond to Wisconsin’s inquiries about Darlington’s termination for cause from Freedom Life.

35. On September 3, 2024, South Dakota permanently revoked Darlington’s insurance producer license for using fraudulent, coercive, or dishonest practices, or demonstrating incompetence, untrustworthiness, or financial irresponsibility in the conduct of business relating to the same termination for cause from Freedom Life at issue in this case and for failing to respond to South Dakota’s inquiries about Darlington’s termination for cause.

36. On November 12, 2024, Delaware permanently revoked Darlington’s insurance producer license for using fraudulent, coercive, or dishonest practices, or demonstrating incompetence, untrustworthiness, or financial irresponsibility in the conduct of business relating to the same termination for cause from Freedom Life at issue in this case and for failing to respond to Delaware’s inquiries about Darlington’s termination for cause.

37. Darlington’s acts and practices violated Iowa Code § 522B.11(1)(i), subjecting Darlington to probation, suspension, or revocation of Darlington’s insurance producer license, an order requiring Darlington to cease and desist from engaging in such acts or practices, the imposition of a civil penalty, the imposition of costs of the investigation and prosecution of the matter, and any other corrective action the Commissioner deems necessary and appropriate pursuant to Iowa Code §§ 522B.11, 522B.17, and 505.8.

COUNT III
Failure to Report Other State Action

38. Iowa Code § 522B.16(1) provides that an insurance producer “shall report to the commissioner any administrative action taken against the insurance producer in another jurisdiction or by another governmental agency in this state within thirty days of the final disposition of the matter.”

39. Under Iowa Admin. Code r. 191—10.20(4)(b), a license may be subject to probation, suspension, or revocation and civil penalties may be levied, as provided in Iowa Code § 522B.17, for failing to timely report any administrative action taken against the producer.

40. Darlington held an active Iowa license when her Wisconsin insurance producer license was revoked on May 28, 2024. Darlington failed to report the Wisconsin administrative action to the Division within thirty (30) days of the date of final disposition of that action and has not done so to date.

41. Darlington’s acts and practices violated Iowa Code § 522B.16(1), subjecting Darlington to probation, suspension, or revocation of her insurance producer license, the imposition of a civil penalty, an order requiring Darlington to cease and desist from engaging in such acts or practices, the imposition of costs of the investigation and prosecution of the matter, and any other corrective action the Commissioner deems necessary and appropriate pursuant to Iowa Code §§ 522B.11, 522B.17, 505.8 and Iowa Admin. Code rule 191—10.20(4)(b).

COUNT IV
Failure to Cooperate

42. Under Iowa Code § 522B.11(1)(p), a license may be subject to probation, suspension, or revocation and civil penalties may be levied as provided in Iowa Code § 522B.17 for failing or refusing to cooperate in an investigation.

43. Darlington failed to cooperate with an investigation conducted by the Division's investigator regarding her sales practices at Freedom Life and her licensing action in Wisconsin.

44. Although Darlington initially responded to the Division's investigator regarding the RFI and TFC questionnaires, Darlington did not respond substantively to the questions contained within the RFI and TFC questionnaires and failed to cooperate with or respond to the Division's subsequent requests and communications.

45. Darlington's failure to cooperate has made it impossible to obtain Darlington's responses to the allegations regarding Darlington's sales practices and licensing action in Wisconsin.

46. Darlington's acts and practices violated Iowa Code § 522B.11(1)(p), subjecting Darlington to probation, suspension, or revocation of Darlington's insurance producer license, the imposition of a civil penalty, an order requiring Darlington to cease and desist from engaging in such acts or practices, the imposition of costs of the investigation and prosecution of the matter, and any other corrective action the Commissioner deems necessary and appropriate pursuant to Iowa Code §§ 522B.11, 522B.17, and 505.8.

ORDER


IT IS HEREBY ORDERED that Kenesha Darlington is in default, pursuant to Iowa Administrative Code rules 191— 3.22, and that judgment shall be entered against Darlington in favor of the Division.

IT IS FURTHER ORDERED, pursuant to the powers granted to the Commissioner of Insurance by Iowa Code chapters 507B and 522B:

- A. Kenesha Darlington's nonresident insurance producer license is immediately revoked pursuant to Iowa Code § 522B.11;

- B. Kenesha Darlington is prohibited from selling, soliciting, or negotiating insurance, offering to the public advise, counsel, or services with regard to insurance, or transacting any insurance business in this state pursuant to Iowa Code §§ 505.8(10), 507B.7 and 522B.17 without an insurance producer license;
- C. Kenesha Darlington shall, within 30 days of this Order, pay civil penalties in the amount of \$2,000.00, made payable to the Iowa Insurance Division, to be credited to the Iowa Insurance Enforcement Fund, to provide funds for insurance enforcement and education pursuant to Iowa Code §§ 505.8, 507B.7, and 522B.17, and Iowa Administrative Code rule 191—10.20(5);
- D. Kenesha Darlington shall, within 30 days of this Order, pay the costs of the investigation and prosecution of this matter in the amount of \$1,162.25, made payable to the Iowa Insurance Division, to be credited to the Iowa Insurance Enforcement Fund, to provide funds for insurance enforcement and education pursuant to Iowa Code §§ 505.8; and
- E. These orders may be enforced under Iowa Code chapter 507B and 522B, including but not limited to, Iowa Code §§ 507B.8 and 522B.17(3), and additionally, by any collection remedies available to the state of Iowa Department of Revenue for unpaid penalties and other ordered monetary amount.

SO ORDERED on this 23rd day of April, 2025.


Douglas M. Ommen
Iowa Insurance Commissioner

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RESPONDENT

CERTIFICATE OF SERVICE

The undersigned certifies that the foregoing instrument was served upon all parties to the above cause, or their attorney, at their respective addresses disclosed on the pleadings on April 24th, 2025.

By: ☒ First Class Mail ☐ Personal Service
☒ Restricted certified mail, return receipt ☒ Email
☐ Certified mail, return receipt ☐ _____

Signature: Brooke Hohn
Brooke Hohn

NOTICE OF FINAL ORDER

A default decision becomes final agency action 15 days from the date of the decision was mailed unless a motion to vacate the default decision is filed within that time period. 191 IAC 3.22(3). A motion to vacate must state all the facts upon which the moving party relies to establish good cause for failure to appear or participate at the contested case proceeding. Each fact must be substantiated by at least one affidavit by a person with personal knowledge of the fact, and the affidavit must be attached to the motion.

NOTICE OF PENALTIES FOR WILLFUL VIOLATION OF THIS ORDER

YOU ARE NOTIFIED that acting as an insurance producer, as defined in Iowa Code Chapter 522B, in violation of this Order, is a felony under Iowa Code 507A.10, subjecting you to punishment of imprisonment, jail, fines, or any combination of custody and fines.

YOU ARE ALSO NOTIFIED that if you violate this Order, you may be subject to administrative and civil penalties pursuant to Iowa Code 522B.17(3). The Commissioner may petition the district court to hold a hearing to enforce the order as certified by the Commissioner. The district court may assess a civil penalty against you in an amount not less than three thousand dollars but not greater than ten thousand dollars for each violation, and may issue further orders as it deems appropriate.

NOTICE REGARDING REISSUANCE

When this Order becomes final, your insurance producer license will become inactive due to revocation. While your license is inactive, you are prohibited from conducting the business of insurance. Your license will not be active until the Division makes the determination to reissue an insurance producer license by order pursuant to Iowa Administrative Code 191-10.10.

Reissuance of an insurance producer license is subject to the discretion of the Commissioner. Additionally, it will not be granted unless and until you have fully complied with the terms of this Order, made the appropriate application, and paid all applicable fees. If applicable, you may also be required to apply for licensure through the National Insurance Producer Registry (NIPR) and pay all applicable fees.

NOTICE OF FINAL ORDER IMPACT

A final order of license probation, suspension, or revocation or a cease and desist order may adversely affect other existing business or professional licenses and may result in license revocation or disciplinary action.

A final order in an administrative action does not resolve any potential criminal or civil violations or causes of action that might arise from the same or similar conduct that is the subject of this order. It may result in criminal law enforcement authorities, including the fraud bureau of the Iowa Insurance Division, pursuing a criminal investigation or prosecution of potential criminal law violations.