

BEFORE THE IOWA INSURANCE COMMISSIONER

IN THE MATTER OF)	ORDER AND
)	CONSENT TO ORDER
CHAD C. AREY)	
IOWA INSURANCE PRODUCER # 261955)	

The undersigned has reviewed the facts as set forth below and as stipulated by the Iowa Insurance Division (the "Division") and Chad C. Arey ("Respondent"). In accordance with Iowa Code section 17A.10 (2005), Respondent and the Division have agreed to an informal settlement of this matter and have agreed to waive the provisions found in Iowa Code sections 17A.12 through 17A.20 (2005), including a waiver of the hearing. The Respondent has agreed to consent to the following Order and Consent to Order ("Order").

FINDINGS OF FACT

1. Respondent is an individual who has a last known home mailing address of 6400 SE 3rd St. #1, Des Moines, IA 50315.
2. Respondent became licensed as an insurance producer in the state of Iowa on October 3, 2003. Respondent's Iowa insurance producer number is 261955.
3. On October 1, 2003, Respondent completed an application for for an Iowa insurance producer license.

4. On the application the Respondent provided incorrect, misleading, incomplete, or materially untrue information in violation of Iowa Code section 522B.11(a) in that he answered “no” to the question “Have you ever been convicted of, or are you currently charged with, committing a crime, whether or not adjudication was withheld?”.
5. On May 6th, 2005 Respondent plead guilty to the charge of Criminal Mischief 4th Degree in violation of Iowa Code section 716.6(1).
6. Respondent failed to notify the Division of this criminal prosecution within 30 days of the initial pretrial hearing date in violation of Iowa Code section 522B.16 and Iowa Administrative Code section 191-10.14.
7. On March 31, 2006, Respondent renewed his Iowa insurance producer license.
8. On the renewal application Respondent provided incorrect, misleading, incomplete, or materially untrue information in violation of Iowa Code section 522B.11(a) in that he answered “no” to the question “Have you ever been convicted of, or are you currently charged with, committing a crime, whether or not adjudication was withheld?”.

9. The Division has jurisdiction of this matter pursuant to the provisions of Iowa Code Chapter 522B (2005).
10. Respondent's action of providing incorrect, misleading, incomplete, or materially untrue information on his initial and renewal license applications and his failure to report the criminal prosecution set forth above constitutes violations of Iowa Code section 522B.16 (2005) and Iowa Administrative Code section 191-10.
10. The Respondent waives his right to hearing and all attendant rights, including the right to seek judicial review, by knowingly, voluntarily, and intelligently entering this Order. This Order constitutes the final agency order in the contested case.
11. This Order is a public record available for inspection and copying in accordance with the requirements of Iowa Code Chapter 22 (2005), will be posted on the Division's web site, and a notation will be made to my publicly-available web site record that administrative action has been taken against Respondent.
12. This Order is considered a final administrative action that shall be reported by the Division to the Central Registration Depository of the National Association of Securities Dealers if Respondent is securities licensed, to the National Association of Insurance Commissioners,

and to all insurance companies with which the Respondent is appointed.

13. The Division and the Respondent stipulate the above facts.

ORDER

WHEREFORE, IT IS HEREBY ORDERED pursuant to the powers granted to the Commissioner of Insurance by Iowa Code section 505.8 (2005) as follows:

- A. Respondent shall Cease and Desist violating Iowa Code chapter 522B and its rules for the acts described above or any other insurance statutes or rules in the State of Iowa.
- B. Respondent shall pay a civil penalty of \$250 and \$250 in costs to the Division upon his signing of this Consent Order. A check totaling \$500 should be remitted to the Iowa Insurance Division, 330 Maple Street, Des Moines, Iowa 50319 with attention to Wayne Lacher, Compliance Officer II.

CONSENT TO ORDER

I, Chad C. Arey, have read, understood, and do knowingly and voluntarily consent to this Order in its entirety. By executing this consent, I understand that I am waiving my rights to a hearing, to confront and cross-examine witnesses, to produce evidence, and to judicial review. I also understand that this Order is considered final administrative action that shall be reported by the Division to the Central Registration Depository, if I am securities licensed, and, if I am insurance licensed, to the National Association of Insurance Commissioners and to all insurance companies with which I am appointed according to Division records. I also understand that this Order is a public record under Iowa Code chapter 22 (2005), that will be disclosed to other state regulatory authorities, upon request, pursuant to Iowa Code section 505.8(6)(c) (2005). I also understand that the information contained in the Order will be posted to the Division's web site and a notation will be made to my publicly-available web site record that administrative action has been taken against me.

Dated this ____ day of _____, 2006.

Chad C. Arey

Subscribed and sworn before me by _____
on this ____ day of _____, 2006.

Notary Public

Now comes the Assistant Commissioner of Insurance, Rosanne Mead, and states that the attached Order has been approved by the Undersigned.

| Dated this 9 day of October, 2006

Iowa Insurance Division

ROSANNE MEAD
Assistant Commissioner of Insurance