



BEFORE THE IOWA INSURANCE COMMISSIONER

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IN THE MATTER OF	)	ORDER AND CONSENT TO ORDER
	)	
CLINTON MCCHESENEY	)	
	)	
NATIONAL PRODUCER # 6854183	)	DIVISION FILE NO.: 80591

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The Iowa Insurance Division (“Division”) pursuant to the provisions of the Iowa Insurance Trade Practices Act – Iowa Code Chapter 507B and the Iowa Licensing of Insurance Producers Act – Iowa Code Chapter 522B has sought the entry of this Order.

**PARTIES AND JURISDICTION**

1. The Commissioner of Insurance, Nick Gerhart, enforces the Iowa Insurance Trade Practices Act – Iowa Code Chapter 507B and the Iowa Licensing of Insurance Producers Act - Iowa Code Chapter 522B, pursuant to Iowa Code § 505.8 (2013).
2. Clinton McChesney (“McChesney”) is an individual with a last known mailing address of 419 2<sup>nd</sup> Street SE, Le Mars, IA 51031.
3. McChesney has been a licensed insurance producer in the state of Iowa from June 11, 1980 to July 31, 2014 when his license expired.
4. The Commissioner may continue to investigate McChesney and enforce the provisions of law and impose any penalty even if McChesney’s license has expired pursuant to Iowa Code § 522B.11(5).

**FACTUAL ALLEGATIONS**

5. From the period of October 14, 2011 to October 24, 2012, McChesney received personal loans from an insurance client in an amount totaling \$28,400. The client is not a member of McChesney’s immediate family.

6. There is no written agreement regarding these loans with the client.
7. Since making these loans, the client has attempted to have McChesney repay the loan amounts but has only received one payment of \$175.00 from McChesney.

**VIOLATION OF IOWA INSURANCE LAWS AND REGULATIONS**

**COUNT 1  
COMMITTING A PROHIBITED ACT BY RECEIVING LOANS  
FROM AN UNRELATED PERSON**

8. The Division re-alleges and incorporates by reference paragraphs 1-7 above as if fully set forth therein.
9. McChesney received a personal loan exceeding the amount of \$250 from a person who is not a member of his immediate family in violation of Iowa Code § 507B.6 and Iowa Administrative Code Rule 191-15.8(5)(b)(1).
10. The violation of Iowa Code Chapter 507B and applicable rules is grounds for revocation, suspension, censure and imposition of a civil penalty and order requiring such person to cease and desist from the acts, methods or practices pursuant to Iowa Code §§ 507B.6 and 507B.7 (2013).

**COUNT 2  
USING FRAUDULENT OR DISHONEST PRACTICES OR DEMONSTRATING INCOMPETENCE,  
UNTRUSTWORTHINESS OR FINANCIAL IRRESPONSIBILITY**

11. Division re-alleges and incorporates by reference paragraphs 1-10 above as if fully set forth herein.
12. McChesney's solicitation of a loan in the amount of \$28,400 from an unrelated person constitutes a fraudulent or dishonest practice and his re-payment of only \$175.00 of the loan constitutes incompetence, untrustworthiness and financial irresponsibility in violation of Iowa Code § 522B.11(1)(h) (2013).
13. The violation of Iowa Code Chapter 522B and applicable rules is grounds for revocation, suspension, censure, and imposition of a civil penalty and order requiring such person to cease

and desist from the acts, methods or practices pursuant to Iowa Code §§ 522B.11 and 522B.17 (2013).

### **STIPULATIONS**

14. Jurisdiction. McChesney consents to the entry of this Order and admits that the Iowa Insurance Division has personal jurisdiction over him and has subject matter jurisdiction over this matter.
15. Revocation of insurance producer license. McChesney agrees to the revocation of his producer license in the state of Iowa based on the allegations in this Order.
16. Cease and Desist. McChesney agrees to cease and desist violating Iowa Code Chapters 507B and 522B and their rules based on the allegations made in this Order.
17. Bar on reapplying for a license. McChesney further agrees to not reapply for a producer license in the state of Iowa for five (5) years from the date of the Commissioner's signature on this Order.

### **ORDER**

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

1. McChesney is hereby revoked.
2. McChesney shall cease and desist from future violations of Iowa Code Chapters 507B and 522B and their rules.
3. McChesney shall not reapply for an insurance producer license for five (5) years from the date this Order is signed by the Commissioner.
4. Nothing contained in this Order shall in any way limit the Division to institute

administrative or legal action against McChesney for any past conduct or future activity in violation of Iowa laws and regulations.

Dated this 15 day of April, 2015.

  
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NICK GERHART  
Iowa Insurance Commissioner

  
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JOHN LEONHART  
Enforcement Attorney

**CONSENT TO ORDER**

I, Clinton McChesney, have read, understood, and do knowingly 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 National Association of Insurance Commissioners and to all insurance companies with which I am actively appointed. I also understand that this Order is a public record under Iowa Code chapter 22 (2013), that will be disclosed to other state regulatory authorities, upon request, pursuant to Iowa Code § 505.8(8)(d) (2013). 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 the publicly available web site record that administrative action has been taken against me.

Dated this 10<sup>th</sup> day of April, 2015.

Clinton McChesney  
Clinton McChesney

Clinton McChesney  
Printed Name

419 2nd Street S.E.  
Le Mars, IA 51031  
Address of Signatory

Subscribed and sworn before me by Clinton McChesney on this 10<sup>th</sup> day of April, 2015.

Rebecca McGinnis  
Notary Public for the State of Iowa

