	STATE OF ARIZONA Department of Insurance and Financial Institutions FILED <u>October 13</u> , 2023 by AS
1	STATE OF ARIZONA
2	DEPARTMENT OF INSURANCE AND FINANCIAL INSTITUTIONS
3	In the Matter of an Appeal by: No. 23A- 072 - INS
4	In the Matter of an Appeal by: ZJAIRE RASHAD NEALY
5	CONSENT ORDER
6	Petitioner.
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8	The Arizona Department of Insurance and Financial Institutions ("Department") has
9	received evidence that Zjaire Rashad Nealy ("Petitioner") violated provisions of Arizona
10	Revised Statutes ("A.R.S.") Title 20. Petitioner wishes to resolve this matter without the
11	commencement of formal proceedings, and admits the following Findings of Fact are true,
12	and consents to the entry of the following Conclusions of Law and Order.
13	FINDINGS OF FACT
14	1. On or about August 2, 2023, Petitioner submitted an application to the
15	Department for an Arizona insurance producer license through the National Insurance
16	Producer Registry (the "Application").
17	2. While completing the Application, under Background Questions, Petitioner
18	answered "No" to the following question, quoted in part, "[h]ave you ever been convicted
19	of a misdemeanor, had a judgment withheld or deferred, or are you currently charged with
20	committing a misdemeanor?"
21	3. Petitioner answered "Yes" to the Attestation section of the Application.
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4. Petitioner's criminal background check revealed that on or about October 27,
and entry entry entry entry about October 27,
2016, in the United States District Court for the District of Arizona, Case No. 16-08762MJ-
001, Petitioner entered guilty plea for a petty offense.
5. On or about August 18, 2023, the Department sent a letter to Petitioner
requesting court documents related to the 2016 conviction. Petitioner failed to respond.
6. On or about September 13, 2023, the Department sent a letter to Petitioner
informing him that his license application was denied due to "[p]roviding incorrect,
misleading, incomplete or materially untrue information in the license application" and/or
"[o]btaining or attempting to obtain a license through misrepresentation or fraud."
7. On or about September 21, 2023, Petitioner appealed the Department's denial
and requested an informal settlement conference ("ISC").
8. On or about September 25, 2023, Petitioner provided the requested court
documents to the Department.
9. The ISC was held on October 3, 2023, during which the parties agreed to a
settlement.
CONCLUSIONS OF LAW
10. The Director has jurisdiction over this matter.
11. Petitioner's conduct, as described above, constitutes a violation of Title 20 or
any rule, subpoena or order of the Director. A.R.S. § 20-295(A)(2).
12. Petitioner's conduct, as described above, constitutes providing incorrect and
incomplete information in the license application. A.R.S. § 20-295(A)(1).
13. Grounds exist for the Director to deny an insurance producer license. A.R.S.
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1 || § 20-295(A).

2	14. Grounds exist, in addition to or instead of any suspension or revocation for the
3	Director to impose a civil penalty of not more than \$250.00 for each unintentional failure or
4	violation up to an aggregate civil penalty of \$2,500.00, or impose a civil penalty of not more
5	than \$2,500.00 for each intentional failure or violation, up to an aggregate civil penalty of
6	\$15,000.00. A.R.S. § 20-295(F).
7	ORDER
8	IT IS HEREBY ORDERED THAT:
9	Zjaire Rashad Nealy shall immediately pay to the Department a civil money penalty
10	in the amount of two hundred fifty dollars (\$250.00).
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12	Effective this <u>13th</u> day of <u>October</u> , 2023.
13	Barbara D. Kichardson
14	Barbara D. Richardson
15	Cabinet Executive Officer Executive Deputy Director
16	Arizona Department of Insurance and Financial Institutions
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1 CONSENT TO ORDER 2 Petitioner acknowledges that it has been served with a copy of the foregoing 1. Consent Order in the above-referenced matter, has read it, is aware of its right to an 3 administrative hearing in this matter and has knowingly and voluntarily waived that right. 4 5 2. Petitioner accepts the personal and subject matter jurisdiction of the 6 Department over it in this matter. 7 Petitioner acknowledges that no promise of any kind or nature has been made 3. to induce it to sign the Consent to Order and it has done so knowingly and voluntarily. 8 9 Petitioner acknowledges and agrees that the acceptance of this Consent to 4. Order by the Director is solely to settle this matter and does not preclude the Department 10 from instituting other proceedings as may be appropriate now or in the future. Furthermore, 11 and notwithstanding any language in this Consent Order, this Consent Order does not 12 preclude in any way any other state agency or officer or political subdivision of this state 13 from instituting proceedings, investigating claims, or taking legal action as may be 14 appropriate now or in the future relating to this matter or other matters concerning 15 Petitioner, including but not limited to violations of Arizona's Consumer Fraud Act. 16 Petitioner acknowledges that, other than with respect to the Department, this Consent Order 17 makes no representations, implied or otherwise, about the views or intended actions of any 18 other state agency or officer or political subdivision of the state relating to this matter or 19 20other matters concerning Petitioner. 21 5. Petitioner acknowledges and agrees that failure to correct the violations set

forth above in this Consent Order, or any repeat findings of the above violations in the

future, can result in disciplinary action which may include a greater civil money penalty and
 suspension or revocation of its license.

- 6. Petitioner waives all rights to seek an administrative or judicial review or
 otherwise to challenge or contest the validity of this Consent Order and its accompanying
 parts before any court of competent jurisdiction.
- 7. Petitioner acknowledges that this Consent Order is an administrative action
 that the Department will report to the National Association of Insurance Commissioners
 (NAIC). Petitioner further acknowledges that it must report this administrative action to
 any and all states in which Petitioner holds an insurance license and must disclose this
 administrative action on any license application.

<u>jo/12/2023</u> DATE

ZJAIRE RASHAD NEALY

1	COPY of the foregoing delivered via email this ¹³ day of October , 2023, to:
2	, 2023, 10.
	Zjaire Rashad Nealy
3	Zjaire.Nealy@freewayinsurance.com Petitioner
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	COPY of the foregoing delivered/emailed same date, to:
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6	Deian Ousounov, Assistant Director Gio Espinosa, Regulatory Legal Affairs Officer
0	Ana Starcevic, Paralegal Project Specialist
7	Cathy O'Neil, Consumer Regulatory Affairs Officer
0	Steven Fromholtz, Division Manager, Licensing
8	Linda Lutz, Legal Assistant, Licensing Aqueelah Currie, Licensing Supervisor
9	Arizona Department of Insurance and Financial Institutions
10	100 North 15th Avenue, Suite 261
10	Phoenix, Arizona 85007-2630
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12	Ana Starcevic
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