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FILED

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**Department of Insurance
State of Idaho**

Attorneys for the Department of Insurance

BEFORE THE DIRECTOR OF THE DEPARTMENT OF INSURANCE

STATE OF IDAHO

IDAHO DEPARTMENT OF INSURANCE,

Complainant,

vs.

JOSHUA DANIEL SLOANE, an individual
holding Idaho Resident Producer License No.
586486, National Producer Number 18099242

Respondent.

Docket No. 18-4065-22

**STIPULATION AND
FINAL ORDER**

COME NOW the staff of the Idaho Department of Insurance (“Department”) and JOSHUA DANIEL SLOANE (“SLOANE”) and do hereby agree and stipulate as follows:

FINDINGS OF FACT

1. SLOANE is a licensed insurance producer in the state of Idaho, holding Resident Producer License No. 586486 [National Producer Number 18099242], which license is due to expire on January 31, 2023. SLOANE’s licensing included the lines of Life and Variable since September of 2016. The Financial Industry Regulatory Authority (FINRA) records show

SLOANE has held a securities license since July of 2016 and that he was registered with JPMorgan Securities LLC on September 5, 2018. SLOANE is subject to the provisions of title 41, Idaho Code, and to the rules of the Idaho Department of Insurance promulgated thereunder.

2. The Director of the Department (“Director”) has jurisdiction over SLOANE and the subject matter herein pursuant to provisions of Idaho’s Producer Licensing Act, Idaho Code §§ 41-1001 *et seq.*, as well as the Idaho Insurance Code, Idaho Code §§ 41-101 *et seq.*

3. On January 31, 2022, the Department filed a Verified Complaint and Notice of Right to Hearing, Docket Number 18-4065-22 (hereinafter “Verified Complaint”), seeking revocation of SLOANE’s producer license and imposition of administrative penalties.

4. Among the allegations in the Verified Complaint were that SLOANE violated Idaho Code § 41-1016(1)(b), (1)(c), and (1)(h) when he sold a replacement annuity in May of 2019.

5. In May of 2019, SLOANE was employed by JPMorgan Chase in Boise, Idaho. A customer came into the branch where he worked, seeking advice and investment help. SLOANE incompetently sold a replacement annuity to the customer. Specifically, SLOANE advised and assisted the customer with liquidating one American International Group (“AIG”) Qualified Traditional IRA annuity held in her late husband’s name to use in combination with other proceeds to purchase another AIG Non-qualified annuity (the “Transaction”). SLOANE’s application documents falsely indicated that the annuity was not a replacement.

6. SLOANE became aware of consequences of his actions when the customer called him stating that the customer had received a Form 1099-R and was facing a taxable event on income of \$236,299.20 resulting from the liquidation of the American International Group (AIG) Qualified Traditional IRA annuity.

7. SLOANE sought to remedy the situation by contacting his direct and indirect supervisors at JPMorgan Chase for assistance. The Transaction was subsequently unwound after

involvement of the Idaho Department of Insurance when the consumer filed a consumer complaint, eventually eliminating tax liability to the customer arising from the Transaction.

CONCLUSIONS OF LAW

8. Idaho Code § 41-1016(1) provides that the Director of the Department may impose an administrative penalty of up to \$1,000, and suspend, revoke, or refuse to issue an insurance license for certain enumerated violations.

9. Idaho Code § 41-1016(1)(b) gives cause for the imposition of a penalty and action against a producer for “[v]iolating any provision of title 41, Idaho Code, department rule, subpoena or order of the director or of another state’s insurance director.”

10. Idaho Code § 41-1016(1)(e) gives cause for the imposition of a penalty and action against a producer for “[m]isrepresenting the terms of an actual or proposed insurance contract or application for insurance or misrepresenting any fact material to any insurance transaction or proposed transaction.”

11. Idaho Code § 41-1016(1)(h) gives cause for the imposition of a penalty and action against a producer for “[u]sing fraudulent, coercive or dishonest practices, or demonstrating incompetence, untrustworthiness or financial irresponsibility, or being a source of injury and loss to the public or others, in the conduct of business in this state or elsewhere.” In the course of selling an annuity to a client, SLOANE violated Idaho Code §§ 41-1016(1)(b), 41-1016(1)(e), and 41-1016(1)(h).

12. Idaho Code § 41-117 makes clear that each instance of violation may be treated as a separate offense.

13. The parties agree that this matter may be brought to a close by a negotiated and stipulated settlement and entry of this Stipulation and Final Order.

AGREEMENT

14. Based upon the foregoing, SLOANE and the Department stipulate and agree as follows:

- a. SLOANE admits to one violation of Idaho Code § 41-1016(1)(b), one violation of Idaho Code § 41-1016(1)(e), and one violation of Idaho Code § 41-1016(1)(h) arising from the Transaction.
- b. As sanction for the violations referenced above, SLOANE and the Department agree to the penalties set forth below and agree that the Director may enter the Final Order attached hereto, which provides as follows:
 - i. That the Stipulation be adopted in full and incorporated into the Final Order;
 - ii. That SLOANE's Idaho Resident Producer License No. 586486 shall be surrendered immediately upon the issuance of the Final Order;
 - iii. That SLOANE shall not re-apply for an Idaho Resident Producer License before the expiration of one year after the surrender of SLOANE's Idaho Resident Producer License No. 586486;
- c. The Department waives any right to seek or require payment of otherwise available fines arising from or relating to the above-admitted violations of Idaho Code § 41-1016(1)(b), (1)(e), and (1)(h).
- d. SLOANE further expressly agrees that, in the event he submits to the Department an application for any Idaho license provided for and authorized under title 41, Idaho Code, the Department may consider the facts and allegations in the Verified Complaint in this action as true for the limited purpose of evaluating SLOANE's character and fitness for licensure.

15. By entering into this Stipulation, SLOANE knowingly and voluntarily waives any rights he would otherwise have to notice and a hearing at which he may be represented by counsel, present evidence, and examine witnesses. The parties hereto further waive their right of reconsideration, appeal, and other rights as set forth in title 67, chapter 52, Idaho Code, including the right to submit this matter for review by a court of competent jurisdiction.

16. The parties agree that the terms of this Stipulation and Final Order are appropriate and proper under the circumstances referenced herein.

17. SLOANE acknowledges that he has read this Stipulation and Final Order and understands its contents; that he has been given the opportunity to discuss this Stipulation and Final Order with independent legal counsel of his choosing; and that he has entered into this Stipulation knowingly, voluntarily, and with full knowledge of any rights he may be waiving thereby.

18. SLOANE acknowledges that this is an administrative action that may be required to be reported on license applications and license renewal forms and disclosed to other agencies through which SLOANE holds a license.

19. This Stipulation is subject to approval by the Director or the Director's designee, and shall become effective and binding upon the Department and SLOANE upon such approval. Should the Director decline to approve this Stipulation and Final Order, the Department and SLOANE shall retain all of their rights, claims and/or defenses, and any factual and/or legal admissions made by SLOANE herein shall be withdrawn.

20. This Stipulation constitutes the full and final resolution of all matters addressed herein, and the Department agrees that, subject to the Director's approval described above, the Department shall seek no further civil or administrative sanctions for the violations alleged in the

Verified Complaint, subject to the agreement set forth in Paragraph 15 above.

21. SLOANE agrees that, upon execution of this Stipulation and Final Order, no subsequent action or assertion shall be maintained or pursued in any manner asserting the invalidity of this Stipulation and Final Order and its provisions.

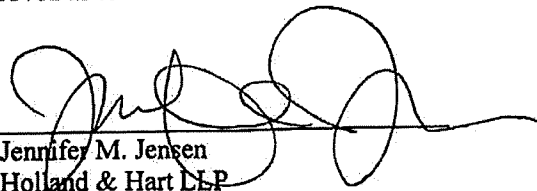
22. This Stipulation and Final Order embodies the entire agreement between the Department and SLOANE, and there are no agreements, understandings, representations, or warranties that are not expressly set forth herein.

23. Upon the Director's entry of the Final Order approving this stipulation, this Stipulation and Final Order shall be a public record under the Idaho Public Records Act.

AGREED this 25th day of January, 2023.


By: 
JOSHUA DANIEL SLOANE

Approved as to Form:

By: 
Jennifer M. Jensen
Holland & Hart LLP
Attorney for Joshua Sloane


AGREED this 26th day of January, 2023.

STATE OF IDAHO
DEPARTMENT OF INSURANCE

By: 
RANDALL M. PIPAL
Bureau Chief, Consumer Services

Approved as to Form:

STATE OF IDAHO
OFFICE OF THE ATTORNEY GENERAL

By: 
Michael Witry
Deputy Attorney General
Attorney for the Department of Insurance

FINAL ORDER

The parties hereto, namely the Idaho Department of Insurance and JOSHUA DANIEL SLOANE ("SLOANE") having entered into the foregoing Stipulation, and the form of the order having been approved, the Director, having reviewed the same, does hereby find that there is a factual basis for entry of a Final Order herein and does hereby conclude that SLOANE did violate title 41, Idaho Code, as stated in the Stipulation.

NOW, THEREFORE, based on the foregoing and in consideration of the premises,

IT IS HEREBY ORDERED that the foregoing Stipulation is approved and is incorporated herein as if set forth in full and made a part hereof;

IT IS FURTHER ORDERED that Idaho Resident Insurance Producer License No. 586486 issued to SLOANE is hereby deemed SURRENDERED effective immediately;

IT IS FURTHER ORDERED that SLOANE shall not re-apply for an Idaho Resident Producer License before the expiration of one year after the date of the Final Order.

DATED this 31 day of January, 2023.

STATE OF IDAHO
DEPARTMENT OF INSURANCE



DEAN L. CAMERON
Director

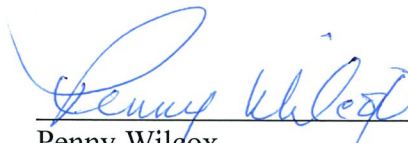
NOTICE REGARDING REPORTABLE PROCEEDINGS

The foregoing is considered a reportable administrative proceeding. As such, it is a public record and is public information that may be disclosed to other states and reported to companies for which you are actively appointed. This information will be reported to the National Association of Insurance Commissioners (NAIC) and will appear in the online searchable database of the Idaho Department of Insurance. You should be aware that this proceeding must be disclosed on any insurance license application and must be reported to any and all states in which you hold an insurance license.

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on this 1st day of February, 2023, I caused a true and correct copy of the STIPULATION AND FINAL ORDER to be served upon the following parties by the method(s) indicated below:

Jennifer Jensen HOLLAND & HART, LLP 800 W. Main Street, Suite 1750 Boise, ID 83702-5974 <i>Counsel for Respondent</i>	<input type="checkbox"/> First Class Mail <input type="checkbox"/> Certified Mail <input type="checkbox"/> Hand Delivery <input type="checkbox"/> Facsimile <input checked="" type="checkbox"/> Email: jmjensen@hollandhart.com
Rondee Blessing 2914 S. Montauk Ave. Boise, ID 83709 <i>Hearing Officer</i>	<input type="checkbox"/> First Class Mail <input type="checkbox"/> Certified Mail <input type="checkbox"/> Hand Delivery <input type="checkbox"/> Facsimile <input checked="" type="checkbox"/> Email: blessingrondee@gmail.com
Michael Witry Deputy Attorney General Idaho Department of Insurance 700 W. State St., 3 rd Floor Boise, ID 83720-0043 <i>Counsel for the Department of Insurance</i>	<input type="checkbox"/> First Class Mail <input type="checkbox"/> Certified Mail <input type="checkbox"/> Hand Delivery <input type="checkbox"/> Facsimile <input checked="" type="checkbox"/> Email: michael.witry@doi.idaho.gov



Penny Wilcox