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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.

LANCE McKAY EATON, an individual  
holding Idaho Resident Producer License No.  
676259 ,

Respondent.

Docket No. 18-3917-21

**STIPULATION AND  
FINAL ORDER**

COME NOW the staff of the Idaho Department of Insurance (“Department”) and LANCE  
McKAY EATON (“EATON”) and do hereby agree and stipulate as follows:

**FINDINGS OF FACT**

1. EATON was a licensed insurance producer in the state of Idaho, holding Resident  
Producer License No. 676259, which license expired on November 30, 2020. EATON submitted  
a request to the Department to renew this license on or about November 24, 2020. EATON 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 EATON 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 May 10, 2021, the Department filed a Verified Complaint and Notice of Right to Hearing (“Verified Complaint”), seeking revocation of EATON’s producer license and imposition of administrative penalties.

4. Among the allegations in the Verified Complaint were that EATON entered a guilty plea to a criminal offense that evidenced dishonesty and a lack of integrity and financial responsibility, and that EATON failed to report the existence of this proceeding to the Department within the timeline required by law.

### **CONCLUSIONS OF LAW**

5. 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 or continue an insurance license for certain enumerated violations.

6. 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.”

7. Idaho Code § 41-1021(2) provides that a producer who undergoes criminal prosecution in any jurisdiction shall report the prosecution to the Director within thirty (30) days of the initial pretrial hearing date.

8. Idaho Code § 41-1016(1)(f) gives cause for the imposition of a penalty and action against a producer for “[b]eing convicted of or pleading guilty to a crime that is deemed relevant in accordance with section 67-9411(1), Idaho Code, or that evidences dishonesty, a lack of integrity and financial responsibility, or an unfitness and inability to provide acceptable service to the consuming public.”

9. By failing to report the existence of the criminal proceeding against him to the Department within thirty days of the initial pretrial hearing, EATON violated Idaho Code § 41-1016(1)(b).

10. By entering a guilty plea to a crime that evidenced dishonesty and a lack of integrity and financial responsibility, EATON violated Idaho Code § 41-1016(1)(f).

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

### **AGREEMENT**

12. 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.

13. Based upon the foregoing, EATON and the Department stipulate and agree as follows:

- a. EATON concedes that there is sufficient evidence to provide that he has committed one violation of Idaho Code § 41-1016(1)(b) and one violation of Idaho Code § 41-1016(1)(f).
- b. As sanction for the violations referenced above, EATON and the Department agree to the penalties set forth below and agree that the Director of the Department 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; and
  - ii. That the renewal of EATON's Idaho Resident Producer License No. 676259 shall be DENIED and that EATON shall not submit, nor shall the Department consider, any application by EATON for issuance or reinstatement of an Idaho producer license for a period of five (5) years from the issuance of the Final Order.
- c. EATON 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 EATON's character and fitness for licensure.

14. By entering into this Stipulation, EATON 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.

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

16. EATON acknowledges that he has read this Stipulation and Final Order and understand 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.

17. EATON 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 jurisdictions or agencies through which EATON holds a license.

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

19. 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, Docket No. 18-3917-21, subject to the agreement set forth in Paragraph 13 above.

20. EATON 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.

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


22. 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 13 day of July, 2021.

By:   
LANCE MCKAY EATON

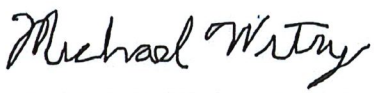
AGREED this 19 day of July, 2021.

STATE OF IDAHO  
DEPARTMENT OF INSURANCE

By:   
LISA TORDJMAN  
Supervisor  
Producer Licensing Section

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 LANCE McKAY EATON ("EATON"), 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 there is sufficient grounds to sanction EATON for violations of 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 EATON's application for renewal of Idaho Resident Insurance Producer License No. 676259 is hereby DENIED effective immediately and that EATON shall not submit, nor shall the Department consider, any application by EATON for issuance or reinstatement of an Idaho producer license for a period of five (5) years from the issuance of this Final Order.

DATED this 27 day of July, 2021.

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 27th day of July, 2021, I caused a true and correct copy of the foregoing, fully-executed STIPULATION AND FINAL ORDER to be served upon the following by the designated means:

Lance McKay Eaton  
3333 Harry Hines Blvd, Apt. 8152  
Dallas, TX 75201

- ☒ first class mail
- ☐ certified mail
- ☐ hand delivery
- ☐ via facsimile

Lance McKay Eaton  
18694 Chicken Dinner Road  
Caldwell, ID 83607

- ☒ first class mail
- ☐ certified mail
- ☐ hand delivery
- ☐ via facsimile

Lance McKay Eaton  
Idaho Farm Bureau Ins.  
15 E. Wyoming Avenue  
Homedale, ID 83628

- ☒ first class mail
- ☐ certified mail
- ☐ hand delivery
- ☐ via facsimile

Farm Bureau Mutual Ins. Co. of Idaho  
275 Tierra Vista Drive  
Pocatello, ID 83201

- ☒ first class mail
- ☐ certified mail
- ☐ hand delivery
- ☐ via facsimile

Michael Witry  
Deputy Attorney General  
Idaho Department of Insurance  
700 W. State Street, 3<sup>rd</sup> Floor  
P.O. Box 83720  
Boise, ID 83720-0043

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- ☒ hand delivery
- ☐ via facsimile

  
Pamela Murray