

**In re:**  
**KENNETH EARL LOTT, JR**  
**Maine License # PRN 201926**  
**National Producer # 16606521**

**STATE OF MAINE**  
**BUREAU OF INSURANCE**

**Docket No. INS-12-237**

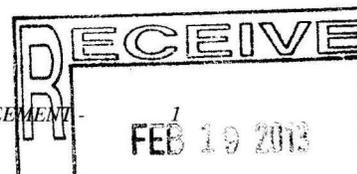
**CONSENT AGREEMENT**

This document is a Consent Agreement authorized by Title 10 M.R.S. § 8003(5), entered into among Kenneth Earl Lott, Jr., a resident of New York; the Superintendent of the Maine Bureau of Insurance; and the Maine Office of the Attorney General. Its purpose is to resolve, in lieu of an adjudicatory proceeding, violations of the Insurance Code for which the Superintendent may impose discipline pursuant to Title 24-A M.R.S. §1417(1) and §1420-K(1)(A).

**STATEMENT OF FACTS**

1. The Superintendent of Insurance is the official charged with administering and enforcing Maine's insurance laws and regulations, and the Bureau of Insurance is the administrative agency with such jurisdiction. The Superintendent has jurisdiction over this matter pursuant to the Insurance Code generally, Title 24-A Maine Revised Statutes, in particular, 24-A M.R.S. §§ 12-A, 211, and 229, as well as other provisions.
2. Kenneth Earl Lott, Jr., has been licensed in Maine as a nonresident insurance producer since April 12, 2012. His Maine Producer Number is PRN 201926. His National Producer Number is 16606521.
3. When Mr. Lott applied for a Maine Nonresident Producer License, he answered "No" to the following background question on the electronic application form which he filed: "Have you ever been convicted of a crime, had a judgment withheld or deferred, or are you currently charged with committing a crime?"
4. The application included Mr. Lott's "Certification and Attestation" with the statement:

"I hereby certify that, under penalty of perjury, all of the information submitted in this application and attachments is true and complete. I am aware that submitting false information or omitting pertinent or material information in connection with this application is grounds for license revocation or denial of the license and may subject me to civil or criminal penalties."
5. Staff of the Maine Bureau of Insurance approved Mr. Lott's application and issued the producer license.
6. By letter dated July 9, 2012, Mr. Lott disclosed after he was licensed that he had been the subject of three New York misdemeanor convictions:
  - Possession of controlled substance in 1996, resulting in a fine of \$145.00;
  - Criminal mischief, harassment and criminal trespassing in 1999, resulting in 60 days in jail and three years probation; and



- Aggravated harassment and endangering the welfare of a child in 2000, resulting in 60 days in jail.

7. Mr. Lott stated in his July 2012 letter that he had misread the question on the application as only requiring the disclosure of felonies and not misdemeanors.

### CONCLUSIONS OF LAW

8. The application form's disclosure questions specifically ask whether the applicant has "ever been convicted of a crime."

9. Mr. Lott obtained his license based in part upon incorrect, misleading, incomplete or materially untrue information in his Maine application for nonresident producer licensing, by failing to disclose the three misdemeanor convictions when he applied, and certifying that the information was true and complete.

10. The provision of incorrect, misleading, incomplete or materially untrue information in a license application constitutes grounds for denial of the license application, revocation of the license, or other appropriate action, including the imposition of a civil penalty, under 24-A M.R.S. §1420-K(1)(A).

### COVENANTS

11. Kenneth Earl Lott, Jr., the Maine Superintendent of Insurance, and the Maine Office of the Attorney General agree to the following.

12. This Consent Agreement is entered into in accordance with 10 M.R.S. § 8003(5)(B). This Consent Agreement is enforceable by an action in the Superior Court.

13. This Consent Agreement is not subject to appeal. Mr. Lott waives any further hearings or appeals regarding the matters that are the subject of this Consent Agreement.

14. Mr. Lott will remit to the Maine Bureau of Insurance a civil penalty in the amount of \$500.00, payable in two (2) consecutive monthly installments of Two Hundred Fifty Dollars (\$250). Mr. Lott shall pay each installment by check, made out to "Treasurer, State of Maine," with the first payment due by February 28, 2013 and the remaining payment due by March 28, 2013.

15. Mr. Lott will promptly report any matters to the Maine Bureau of Insurance during all times as he is licensed through the Bureau, to the extent such reporting is required under the Maine Insurance Code, and will comply in all other respects with the provisions of the Maine Insurance Code, as applicable.

16. Mr. Lott understands and acknowledges that this Agreement will constitute a public record within the meaning of 1 M.R.S. § 402, and will be available for public inspection and copying as provided for by 1 M.R.S. § 408, and will be reported to the NAIC "RIRS" database.

17. In consideration of the licensee's execution of and compliance with the terms of this Consent Agreement, the Superintendent of Insurance, the Bureau of Insurance, and Office of the Attorney General agree to forgo pursuing further disciplinary measures or other civil or administrative sanctions available

under the Maine Insurance Code for the specific conduct described in this Consent Agreement, other than those agreed to herein. However, should Mr. Lott violate this Consent Agreement, including the failure to remit either installment of the penalty on a timely basis as provided in Paragraph 14, he may be subject to any available legal remedy for the violation, including without limitation the suspension or revocation of all licenses issued under the Maine Insurance Code.

18. Nothing in this Agreement shall affect the rights or interests of any person who is not a party to this Agreement.

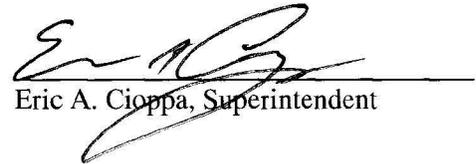
**Kenneth Earl Lott, Jr.**

Dated: January 17, 13

  
Kenneth Earl Lott, Jr.

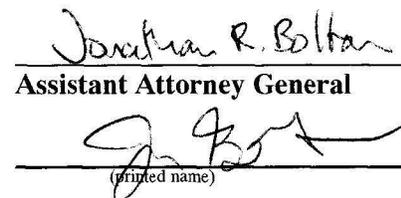
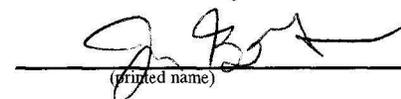
**THE MAINE SUPERINTENDENT OF INSURANCE**

Dated: February 21, 2013

  
Eric A. Cioppa, Superintendent

**FOR THE OFFICE OF THE ATTORNEY GENERAL**

Dated: March 6, 2013

  
Assistant Attorney General  
  
(printed name)

RECEIVED

FEB 22 2013

ATTORNEY GENERAL