

STATE OF ARIZONA
DEPARTMENT OF INSURANCE AND FINANCIAL INSTITUTIONS

In the Matter of:

No. 19A-150-INS

KENT, ANDREW COOPER
(National Producer No. 17767982)

DEFAULT ORDER

and

ACK HOLDINGS, LLC dba
STRATEGIC RISK SOLUTIONS GROUP
(National Producer No. 1800015517)

Respondents.

On July 9, 2020, the Arizona Department of Insurance and Financial Institutions (the "Department") issued a Notice of Hearing ("Notice") in the above-captioned matter, a copy of which is attached as **Exhibit A** and incorporated by this reference. The Notice required Andrew Cooper Kent and ACK Holdings, LLC dba Strategic Risk Solutions Group ("Respondents") to provide a written answer to the allegations set forth in the Notice within twenty days of the issuance of the Notice. As of this date, the Respondents have not filed an answer. On August 4, 2020, counsel for the Department filed a Motion for Default, a copy of which is attached as **Exhibit B**. As of this date, the Respondents have not responded to the Department's request. Pursuant to A.A.C.R20-6-106(D), a party that fails to file an answer within the time provided shall be deemed to be in default and one or more of the allegations in the Notice of Hearing may be deemed to be admitted.

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FINDINGS OF FACT

- 1. Notice was proper.
- 2. Respondents have not appeared or answered.
- 3. The allegations in the Notice are deemed admitted.

CONCLUSIONS OF LAW

Respondents are in default, and the conduct alleged in the Notice and deemed admitted due to Respondents' failure to appear or answer are grounds for the Director to suspend, revoke or refuse to renew Respondents' licenses to transact insurance in Arizona, pursuant to A.R.S. §20-295(A).

ORDER

IT IS ORDERED:

- 1. The insurance licenses held by Respondents Andrew Cooper Kent and ACK Holdings, LLC dba Strategic Risk Solutions Group are revoked effective upon this Order's issuance.
- 2. The hearing set for **August 20, 2020 at 1:00 p.m.** shall be vacated.

DATED this 18th day of August, 2020.



Evan G. Daniels, Director
Arizona Department of Insurance
and Financial Institutions

COPY of the foregoing electronically filed this **20th** of August, 2020 to:

Kay Abramsohn, Administrative Law Judge

1 <https://portal.azoah.com/submission>

Office of Administrative Hearings

2 **COPY** of the foregoing delivered same date to:

3 Deian Ousounov, Regulatory Legal Affairs Officer
4 Ana Starcevic, Paralegal Project Specialist
5 Steven Fromholtz, Division Manager, Licensing
6 Wendy Greenwood, Investigations Supervisor
7 Arizona Department of Insurance and Financial Institutions
8 100 N. 15th Ave., #261
9 Phoenix, Arizona 85007

7 **COPY** of the foregoing emailed same date to:

8 Lynette Evans, Assistant Attorney General
9 AdminLaw@azag.gov
10 Attorney for the Arizona Department of Insurance and Financial Institutions

10 **COPY** mailed and emailed same date to:

11 ACK Holdings, LLC
12 c/o Andrew Kent
13 7100 E. Lincoln Drive, #1157
14 Paradise Valley, AZ 85253
15 Respondent

14 Andrew Kent
15 c/o ACK Holdings, LLC
16 8325 E. Monterosa St.
17 Scottsdale, AZ 85251-2814
18 Respondent

17 Andrew Kent
18 akent@strategicrsg.com
19 Respondent

19 *Francine Juarez*

20 886948

21

22

23

24

1 **STATE OF ARIZONA**
2 **DEPARTMENT OF INSURANCE AND FINANCIAL INSTITUTIONS**

3 **In the Matter of:**

4 **KENT, ANDREW COOPER**
5 (National Producer No. 17767982)

6 and

7 **ACK HOLDINGS, LLC dba**
8 **STRATEGIC RISK SOLUTIONS**
9 **GROUP**
(National Producer No. 1800015517)

Respondents.

Docket No. 19A-150-INS

NOTICE OF HEARING

(ALJ Thomas Shedden)

10 PLEASE TAKE NOTICE that the above-captioned matter will be heard before
11 the Director of the Arizona Department of Insurance and Financial Institutions (the
12 "Director") or a duly designated representative on August 20, 2020 at 1:00 p.m. at the
13 Office of Administrative Hearings, 1740 West Adams St., Lower Level, Phoenix,
14 Arizona 85007¹.

15 If you wish to continue this hearing to another date, you must file a motion in
16 writing with the Office of Administrative Hearings not less than 15 days before the
17 scheduled hearing date. Please send the motion to the attention of the Administrative
18 Law Judge ("ALJ") and include the docket number listed above. You must also mail or
19 hand-deliver a copy of any motion to continue to the Department of Insurance and
20 Financial Institutions (the "Department") on the same date you file it with the Office of
21

22 ¹ As authorized under Arizona Revised Statutes ("A.R.S.") §§ 20-161 through and including 20-165 and Title 41, Chapter 6, Article 10 (A.R.S. § 41-1092 *et seq.*).

EXHIBIT

tabbies

A

1 Administrative Hearings.

2 You are not required to have an attorney represent you. However, if you are
3 represented, your attorney must be licensed to practice law in the State of Arizona. An
4 insurance company may be represented by a corporate officer. A.R.S. § 20-161(B).

5 You are entitled to be present during the presentation of all evidence and you
6 will have a reasonable opportunity to inspect all documentary evidence, examine
7 witnesses, present evidence that supports your case and to request that the ALJ issue
8 subpoenas to compel the attendance of witnesses and production of evidence. A.R.S.
9 § 20-164(B).

10 A clear and accurate record of the proceedings will be made either by a court
11 reporter or by electronic means. A.R.S. § 41-1092.07(E). If you want a copy of an
12 electronic recording, you must contact the Office of Administrative Hearings at (602)
13 542-9826. If the hearing was transcribed by a court reporter and you want a copy of
14 the transcript, you must pay the cost of the transcript to the court reporter or other
15 transcriber.

16 Questions concerning issues raised in this Notice of Hearing should be directed
17 to Assistant Attorney General Lynette Evans, telephone number (602) 542-7701, 2005
18 N. Central Ave., Phoenix, Arizona 85004, Lynette.Evans@azag.gov.

19 **NOTICE OF APPLICABLE RULES**

20 The hearing will be conducted pursuant to A.A.C. R20-6-101 through
21 R20-6-115.

22 YOU MUST FILE A WRITTEN RESPONSE (ANSWER) TO THE

1 ALLEGATIONS IN THIS NOTICE WITH US WITHIN **20 DAYS** AFTER WE ISSUE
2 THIS NOTICE. A.A.C. R20-6-106. YOUR RESPONSE SHOULD STATE YOUR
3 POSITION OR DEFENSE AND SHOULD SPECIFICALLY ADMIT OR DENY EACH
4 ASSERTION IN THE NOTICE. IF YOU DO NOT SPECIFICALLY DENY AN
5 ASSERTION, WE WILL CONSIDER IT ADMITTED. ANY DEFENSE YOU DO NOT
6 RAISE WILL BE CONSIDERED WAIVED.

7 IF YOU DO NOT FILE YOUR RESPONSE ON TIME, WE WILL CONSIDER
8 YOU IN DEFAULT AND THE DIRECTOR MAY DEEM THE ALLEGATIONS IN THE
9 NOTICE AS TRUE. ACCORDINGLY, WE WILL TAKE WHATEVER ACTION IS
10 APPROPRIATE INCLUDING SUSPENSION, REVOCATION, IMPOSITION OF A
11 CIVIL PENALTY AND ORDERING RESTITUTION TO ANY INJURED PERSON.

12 **PERSONS WITH DISABILITIES**

13 PERSONS WITH DISABILITIES MAY REQUEST REASONABLE
14 ACCOMMODATIONS SUCH AS INTERPRETERS, ALTERNATIVE FORMATS, OR
15 ASSISTANCE WITH PHYSICAL ACCESSIBILITY. REQUESTS FOR
16 ACCOMMODATIONS SHOULD BE MADE AS EARLY AS POSSIBLE TO ALLOW
17 TIME TO ARRANGE THE ACCOMMODATIONS. IF YOU REQUIRE
18 ACCOMMODATIONS, PLEASE CONTACT THE OFFICE OF ADMINISTRATIVE
19 HEARINGS AT (602) 542-9826.

20 The allegations supporting this Notice of Hearing are as follows:

21 1. Andrew Cooper Kent ("Kent") is licensed as an Arizona resident insurance
22 producer with lines of authority in property and casualty insurance, National Producer

1 Number 17767982. Kent's license is scheduled to expire on November 30, 2023.

2 2. Kent's addresses of record with the Department are: ACK Holdings, LLC,
3 8325 E. Monterosa St., Scottsdale, AZ 85251-2814 (business and mailing) and
4 akent@strategicrsg.com (business e-mail).

5 3. ACK Holdings, LLC, doing business as Strategic Risk Solutions Group
6 ("ACK") is licensed as an Arizona resident business entity insurance producer with
7 lines of authority in property and casualty insurance, National Producer Number
8 18306143. The license is scheduled to expire on August 31, 2020. Kent is the
9 Designated Responsible Licensed Producer ("DRLP") for ACK.

10 4. ACK's' addresses of record with the Department are: 7100 E. Lincoln
11 Drive, Paradise Valley, AZ 85253 (business and mailing) and akent@strategicrsg.com
12 (business e-mail).

13 5. Steven Klumb ("Klumb") is licensed as an Arizona resident insurance
14 producer with lines of authority in property and casualty insurance, National Producer
15 Number 17188967.

16 6. Klumb is Kent's former colleague and business partner.

17 7. U.S. National Insurance, LLC ("USNI") is licensed as an Arizona resident
18 business entity insurance producer with lines of authority in property and casualty
19 insurance, National Producer Number 18068829. Klumb is the DRLP for USNI.

20 8. USNI's address of record with the Department is: 8325 E. Monterosa St.,
21 Scottsdale, AZ 85251 (business and mailing), the same as Kent's business address of
22 record.

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Klumb Complaint Alleging Forgery of Checks

9. On February 3, 2018, Klumb submitted a complaint to the Department against Kent, alleging that Kent forged his signature on the following two checks:

a. Check number 17639, issued by American Liberty Insurance Company, Inc. (“American Liberty”) and made payable to USNI on February 10, 2017 in the amount of \$1,660.00. The check was endorsed as: Pay To: ACK Holdings, LLC; Cursive Signature: S Klumb; Printed Name and Title: Steven Klumb – President.

b. Check number 17685, issued by American Liberty and made payable to USNI on March 11, 2017 in the amount of \$1,138.00. The check was endorsed as: Pay To The Order of: ACK Holdings, LLC; Printed Name and Title: President: Steven Klumb; Cursive Signature: S E Klumb.

Allegations of Failing to Remit Payment and Earned Premium for Cancelled Policy No. PRA 0990807-01

10. On April 10, 2019, Klumb submitted to the Department copies of emails between Kent and World Wide Specialty Programs, Inc. (“World Wide”) to support allegations that Kent failed to send a policy payment after he stated that the payment was issued, and Kent failed to remit the earned premium for the cancelled policy.

11. On November 29, 2018, R Visions LLC (“R Visions”) paid an annual premium of \$24,845.00 to ACK for insurance policy number PRA 0990807-01 provided

1 by Zurich American Insurance Company ("Zurich"). World Wide is the program
2 administrator for Zurich.

3 12. On February 27, 2019, World Wide sent Kent an email stating,
4 "Cancellation of the above insured [R Visions] was issued eff [sic] 2/16/2019. I have
5 not processed the cancellation if have send payment please advise to avoid
6 cancellation and your agency will need to issue the earned premium." Kent responded
7 by email that morning, stating, "A check has been issued in the full amount...Please let
8 me know once payment is processed."

9 13. On March 18, 2019, World Side sent Kent an email stating, "No payment
10 ever received policy is cancelled eff [sic] 2/16/2019 cancellation endorsement is being
11 processed."

12 14. On March 22, 2019, World Wide sent Kent an email with the policy
13 cancellation for R Visions attached and asked Kent to remit the earned premium due
14 of \$4,612.96. Kent did not respond to the email.

15 15. On April 10, 2019, World Wide sent Kent an email stating, "To avoid direct
16 collections please remit past due of \$4,612.96." Kent did not respond to the email.

17 **First Insurance Funding Complaint**

18 16. On October 18, 2018, First Insurance Funding ("First") submitted a
19 complaint to the Department stating, "FIRST Insurance Funding sent the funding for
20 Brintel Environmental PLLC's Workers Compensation quote to their representative
21 insurance agent, ACK Holdings LLC or Andrew Kent in the amount of \$10,183.50.
22 Andrew Kent admitted that instead of sending FIRST's funds to the insurance carrier,

1 he sent the funds to the insured, Brintel Environment which was a misappropriation of
2 the funding. The insurance carrier never received funding for the policy and the agent
3 has become unresponsive to repay FIRST.”

4 17. On May 16, 2018, Brintel Environmental PLLC (“Brintel”) and Kent signed
5 a commercial premium finance agreement to secure funding from First for Brintel’s
6 worker’s compensation quote.

7 18. On May 18, 2018, at Kent’s request, First provided funds for Brintel’s
8 worker’s compensation portion of the loan in the amount of \$10,183.50 to a business
9 checking account for ACK ending in 8393 (“8393 account”).

10 19. On May 29, 2018, an electronic withdrawal of \$13,578.00 with the
11 description, “Ncci Wrks Comp Dep Prem 44767400, CCD ID: 1650439698” was made
12 from the 8393 account. This was payment to the National Council on Compensation
13 Insurance (“NCCI”) for the Brintel worker’s compensation policy.

14 20. On July 2, 2018, First sent an email to Kent requesting that he provide the
15 carrier name and policy number for Brintel’s worker compensation policy. Kent
16 responded by email on July 11, 2018 stating, “Sorry about the delay....” “The insured
17 was unable to provide the NCCI their requested information to keep that effective date.
18 We have the account being written with an 8/1 effective date, and will update you with
19 revised forms here shortly.”

20 21. On August 9, 2018, First sent Kent an email stating, “I left you a voicemail
21 regarding this...We expect funding returned within 30 days and we are well past this
22 now. Please either call me or respond to my email...”

1 3. Respondents' conduct, as described above, constitutes improperly
2 withholding, misappropriating or converting any monies or properties received in the
3 course of doing insurance business, within the meaning of A.R.S. § 20-295(A)(4).

4 4. Respondents' conduct, as described above, constitutes using fraudulent,
5 coercive or dishonest practices, or demonstrating incompetence, untrustworthiness or
6 financial irresponsibility in the conduct of business, within the meaning of A.R.S. § 20-
7 295(A)(8).

8 5. Respondents' conduct, as described above, constitutes forging another's
9 name to any document related to an insurance transaction, within the meaning of
10 A.R.S. § 20-295(A)(10).

11 6. Respondents' conduct, as described above, constitutes knowingly
12 presenting oral or written statements to an insurer that contain untrue statements of
13 material fact, within the meaning of A.R.S. § 20-463(A)(1).

14 7. The Director may deny, suspend, revoke or refuse to renew the license of
15 a business entity for any of the causes prescribed in subsection A of A.R.S. § 20-295 if
16 the cause relates to the designated producer, in violation of A.R.S. § 20-295(B)(1).

17 8. Grounds exist for the Director to suspend, revoke, or refuse to renew
18 Respondents' insurance licenses pursuant to A.R.S. § 20-295(A) and (B).

19 WHEREFORE, if after hearing, the Director finds the grounds alleged above, the
20 Director may deny, suspend, or revoke Respondents' insurance producer licenses.
21 A.R.S. § 20-295(A) and (B).

22 The Director delegates the authority vested in her to the Director of the Office of

1 Administrative Hearings or his designee to preside over the hearing of this matter as
2 the Administrative Law Judge, to make written recommendations to the Director
3 consisting of proposed findings of fact, proposed conclusions of law, and a proposed
4 order. This delegation does not include delegation of the authority of the Director to
5 make an order on the hearing or any other final decision in this matter. A.R.S. § 20-
6 150.

7 Pursuant to A.R.S. § 41-1092.01, your hearing will be conducted through the
8 Office of Administrative Hearings, an independent agency. Further hearing information
9 may be found at the Office of Administrative Hearings website: www.azoah.com.

10 DATED this 8th day of July, 2020.

11 Deian Ousounov
Deian Ousounov (Jul 8, 2020 09:37 PDT)
12 Deian Ousounov, Regulatory Legal Affairs Officer
13 Arizona Department of Insurance and
14 Financial Institutions

15 **E-FILE** of the foregoing delivered electronically
16 this 9th day of **July, 2020**, to:

17 Thomas Shedden, Administrative Law Judge
<https://portal.azoah.com/submission>
18 Office of Administrative Hearings

19 **COPY** of the foregoing delivered same date to:

20 Deian Ousounov, Regulatory Legal Affairs Officer
21 Ana Starcevic, Paralegal Project Specialist
22 Steven Fromholtz, Division Manager, Licensing
Wendy Greenwood, Investigations Supervisor
Arizona Department of Insurance and Financial Institutions
100 N 15th Ave. #261
Phoenix, Arizona 85007

1 **COPY** mailed same date by U.S. First Class Mail
and Certified Mail, Return Receipt Requested, to:

2

3 ACK Holdings, LLC
4 c/o Andrew Kent
7100 E. Lincoln Drive, #1157
Paradise Valley, AZ 85253
Respondent

9489 0090 0027 6139 7407 83

5

6 Andrew Kent
7 c/o ACK Holdings, LLC
8325 E. Monterosa St.
Scottsdale, AZ 85251-2814
Respondent

9489 0090 0027 6139 7407 90

8

COPY sent same date via electronic mail to:

9

10 Andrew Kent
akent@strategicrsq.com
Respondent

11

12 Lynette Evans, Assistant Attorney General
AdminLaw@azag.gov
Attorney for the Department

13

14 *Francine Juarez*
Francine Juarez
8611197

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21

22

1 MARK BRNOVICH
Attorney General
2 Firm Bar No. 14000

3 Lynette Evans
State Bar No. 021069
4 Assistant Attorney General
Public Law Section
5 2005 N. Central Ave.
Phoenix, Arizona 85004
6 Telephone: (602) 542-7701
Facsimile: (602) 542-4385
7 E-mail: Lynette.Evans@azag.gov
8 Attorney for the Arizona Department of Insurance and Financial Institutions

9 STATE OF ARIZONA
10 DEPARTMENT OF INSURANCE AND FINANCIAL INSTITUTIONS

11 In the Matter of:

No. 19A-150-INS

12 **KENT, ANDREW COOPER**
13 (National Producer No. 17767982)

MOTION FOR DEFAULT

14 and

15 **ACK HOLDINGS, LLC dba**
16 **STRATEGIC RISK SOLUTIONS GROUP**
(National Producer No. 1800015517)

17 Respondents.
18

19 The Arizona Department of Insurance and Financial Institutions (the "Department"),
20 by and through undersigned counsel, hereby requests that the Findings of Fact and
21 Conclusions of Law set forth in the Notice of Hearing and incorporated herein by reference
22 be entered in this matter, deeming Andrew Cooper Kent ("Kent") and ACK Holdings, LLC
23 dba Strategic Risk Solutions Group ("ACK"), in default, deeming the allegations set forth in
24 the Notice as true, and ordering that Respondents' insurance licenses be revoked.
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1 On July 9, 2020, a Notice of Hearing ("Notice") was filed in this matter and served
2 upon Kent and ACK at their addresses of record via certified mail pursuant to A.R.S. § 41-
3 1092.04. Certified mail return receipt No. 9489 0090 0027 6139 7407 90 shows that the
4 Notice was delivered and accepted at Kent's business and mailing address of record: 8325
5 E. Monterosa St., Scottsdale, AZ 85251-2814. Certified mail return receipt No. 9489 0090
6 0027 6139 7407 83 shows that the Notice was delivered and accepted at ACK's business
7 and mailing address of record: 7100 E. Lincoln Drive, Paradise Valley, AZ 85253. Copies of
8 the certified mail receipts are attached to this request as **Exhibit A**.

9 Respondents had twenty (20) days from the date of issuance of the Notice to file a
10 written answer to the allegations contained therein pursuant to Arizona Administrative Code
11 ("A.A.C") R20-6-106. As of the date of this Motion, Respondents have not filed an answer
12 nor have they appeared through counsel. Rule 20-6-106(D) of the Arizona Administrative
13 Code provides that if an answer is not timely filed, the Respondents shall be deemed in
14 default and the Director may deem the allegations set forth in the Notice of Hearing as true
15 and take whatever action is appropriate including revoking the license.

17 The allegations supporting the Notice of Hearing are as follows:

18 1. Andrew Cooper Kent ("Kent") is licensed as an Arizona resident
19 insurance producer with lines of authority in property and casualty insurance,
20 National Producer Number 17767982. Kent's license is scheduled to expire on
21 November 30, 2023.

23 2. Kent's addresses of record with the Department are: ACK Holdings,
24 LLC, 8325 E. Monterosa St., Scottsdale, AZ 85251-2814 (business and mailing) and
25 akent@strategicrsg.com (business e-mail).

1 3. ACK Holdings, LLC, doing business as Strategic Risk Solutions Group
2 (“ACK”) is licensed as an Arizona resident business entity insurance producer with
3 lines of authority in property and casualty insurance, National Producer Number
4 18306143. The license is scheduled to expire on August 31, 2020. Kent is the
5 Designated Responsible Licensed Producer (“DRLP”) for ACK.
6

7 4. ACK’s’ addresses of record with the Department are: 7100 E. Lincoln
8 Drive, Paradise Valley, AZ 85253 (business and mailing) and
9 akent@strategicrsg.com (business e-mail).

10 5. Steven Klumb (“Klumb”) is licensed as an Arizona resident insurance
11 producer with lines of authority in property and casualty insurance, National
12 Producer Number 17188967.
13

14 6. Klumb is Kent’s former colleague and business partner.

15 7. U.S. National Insurance, LLC (“USNI”) is licensed as an Arizona
16 resident business entity insurance producer with lines of authority in property and
17 casualty insurance, National Producer Number 18068829. Klumb is the DRLP for
18 USNI.
19

20 8. USNI’s address of record with the Department is: 8325 E. Monterosa
21 St., Scottsdale, AZ 85251 (business and mailing), the same as Kent’s business
22 address of record.
23

Klumb Complaint Alleging Forgery of Checks

24 9. On February 3, 2018, Klumb submitted a complaint to the Department
25 against Kent, alleging that Kent forged his signature on the following two checks:
26

1 a. Check number 17639, issued by American Liberty
2 Insurance Company, Inc. ("American Liberty") and made payable to
3 USNI on February 10, 2017 in the amount of \$1,660.00. The check
4 was endorsed as: Pay To: ACK Holdings, LLC; Cursive Signature: S
5 Klumb; Printed Name and Title: Steven Klumb – President.

6
7 b. Check number 17685, issued by American Liberty and
8 made payable to USNI on March 11, 2017 in the amount of
9 \$1,138.00. The check was endorsed as: Pay To The Order of: ACK
10 Holdings, LLC; Printed Name and Title: President: Steven Klumb;
11 Cursive Signature: S E Klumb.

12
13 **Allegations of Failing to Remit Payment and Earned Premium for**

14 **Cancelled Policy No. PRA 0990807-01**

15 10. On April 10, 2019, Klumb submitted to the Department copies of emails
16 between Kent and World Wide Specialty Programs, Inc. ("World Wide") to support
17 allegations that Kent failed to send a policy payment after he stated that the
18 payment was issued, and Kent failed to remit the earned premium for the cancelled
19 policy.

20
21 11. On November 29, 2018, R Visions LLC ("R Visions") paid an annual
22 premium of \$24,845.00 to ACK for insurance policy number PRA 0990807-01
23 provided by Zurich American Insurance Company ("Zurich"). World Wide is the
24 program administrator for Zurich.
25
26

1 12. On February 27, 2019, World Wide sent Kent an email stating,
2 “Cancellation of the above insured [R Visions] was issued eff [sic] 2/16/2019. I have
3 not processed the cancellation if have send payment please advise to avoid
4 cancellation and your agency will need to issue the earned premium.” Kent
5 responded by email that morning, stating, “A check has been issued in the full
6 amount... Please let me know once payment is processed.”
7

8 13. On March 18, 2019, World Side sent Kent an email stating, “No
9 payment ever received policy is cancelled eff [sic] 2/16/2019 cancellation
10 endorsement is being processed.”
11

12 14. On March 22, 2019, World Wide sent Kent an email with the policy
13 cancellation for R Visions attached and asked Kent to remit the earned premium due
14 of \$4,612.96. Kent did not respond to the email.

15 15. On April 10, 2019, World Wide sent Kent an email stating, “To avoid
16 direct collections please remit past due of \$4,612.96.” Kent did not respond to the
17 email.
18

19 **First Insurance Funding Complaint**

20 16. On October 18, 2018, First Insurance Funding (“First”) submitted a
21 complaint to the Department stating, “FIRST Insurance Funding sent the funding for
22 Brintel Environmental PLLC’s Workers Compensation quote to their representative
23 insurance agent, ACK Holdings LLC or Andrew Kent in the amount of \$10,183.50.

24 Andrew Kent admitted that instead of sending FIRST’s funds to the insurance
25 carrier, he sent the funds to the insured, Brintel Environment which was a
26

1 misappropriation of the funding. The insurance carrier never received funding for the
2 policy and the agent has become unresponsive to repay FIRST.”

3 17. On May 16, 2018, Brintel Environmental PLLC (“Brintel”) and Kent
4 signed a commercial premium finance agreement to secure funding from First for
5 Brintel’s worker’s compensation quote.

6 18. On May 18, 2018, at Kent’s request, First provided funds for Brintel’s
7 worker’s compensation portion of the loan in the amount of \$10,183.50 to a
8 business checking account for ACK ending in 8393 (“8393 account”).

9 19. On May 29, 2018, an electronic withdrawal of \$13,578.00 with the
10 description, “Ncci Wrks Comp Dep Prem 44767400, CCD ID: 1650439698” was
11 made from the 8393 account. This was payment to the National Council on
12 Compensation Insurance (“NCCI”) for the Brintel worker’s compensation policy.
13

14 20. On July 2, 2018, First sent an email to Kent requesting that he provide
15 the carrier name and policy number for Brintel’s worker compensation policy. Kent
16 responded by email on July 11, 2018 stating, “Sorry about the delay....” “The
17 insured was unable to provide the NCCI their requested information to keep that
18 effective date. We have the account being written with an 8/1 effective date, and will
19 update you with revised forms here shortly.”
20

21 21. On August 9, 2018, First sent Kent an email stating, “I left you a
22 voicemail regarding this...We expect funding returned within 30 days and we are
23 well past this now. Please either call me or respond to my email...”
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1 22. On August 10, 2018, Kent responded to First by stating that he was
2 trying to track down the insured to get the funds back. First responded to the email
3 the same day stating, "...I'm confused of [sic] why the insured would need to be
4 involved if we are flat cancelling. We sent \$10,183.50 to your agency, so all you
5 need to do is send that back."
6

7 23. Kent admitted in an August 21, 2018 email to First that he made a
8 mistake in sending the funds to the insured and was attempting to collect the funds
9 back.

10 24. The June 2018 statement for the 8393 account shows that a deposit of
11 \$13,578.00 was made on June 21, 2018 with the description, "Ncci Wrks Comp Ref
12 Prem 44767400 CCD ID: 1650439698." This was the refund premium for the
13 Brintel worker's compensation policy
14

15 **Failure to Respond to Subpoena**

16 25. On June 13, 2019, the Department issued a Subpoena Duces Tecum
17 ordering Kent to appear at the Department on June 21, 2019 for an Examination
18 Under Oath and to provide specified documents. Kent failed to appear or provide
19 the documents.
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1 Based upon the foregoing, the Department respectfully requests that the allegations
2 set forth in the July 9, 2020 Notice of Hearing be deemed admitted and that Respondents'
3 insurance licenses be revoked.

4 RESPECTFULLY SUBMITTED this 4th day of August, 2020.

5 MARK BRNOVICH, Attorney General

6 By /s/ Lynette Evans

7 Lynette Evans, Assistant Attorney General
8 Attorney for the Arizona Department of Insurance
and Financial Institutions

9 **COPY** of the foregoing electronically filed this
10 4th day of August, 2020 with:

11 Deian Ousounov, Regulatory Legal Affairs Officer
12 Ana Starcevic, Paralegal Project Specialist
13 Steven Fromholtz, Division Manager, Licensing
14 Wendy Greenwood, Investigations Supervisor
15 Arizona Department of Insurance and Financial Institutions

16 **COPY** mailed and e-mailed same date to:

17 ACK Holdings, LLC
18 c/o Andrew Kent
19 7100 E. Lincoln Drive, #1157
20 Paradise Valley, AZ 85253
21 Respondent

22 Andrew Kent
23 c/o ACK Holdings, LLC
24 8325 E. Monterosa St.
25 Scottsdale, AZ 85251-2814
26 Respondent

Andrew Kent
akent@strategicrsg.com
Respondent

/s/ S. Hack

8869308



July 29, 2020

Dear Susan Hack:

The following is in response to your request for proof of delivery on your item with the tracking number:
9489 0090 0027 6139 7407 90.

Item Details

Status: Delivered, Left with Individual
Status Date / Time: July 10, 2020, 1:50 pm
Location: SCOTTSDALE, AZ 85251
Postal Product: First-Class Mail®
Extra Services: Certified Mail™
Return Receipt Electronic

Shipment Details

Weight: 5lb, 5.8oz

Destination Delivery Address

Street Address: 8325 E MONTEROSA ST
City, State ZIP Code: SCOTTSDALE, AZ 85251-2814

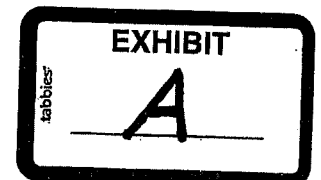
Recipient Signature

Signature of Recipient:	Andrew Kent JS 5114
Address of Recipient:	8325 E Monterosa St Scottsdale

Note: Scanned image may reflect a different destination address due to Intended Recipient's delivery instructions on file.

Thank you for selecting the United States Postal Service® for your mailing needs. If you require additional assistance, please contact your local Post Office™ or a Postal representative at 1-800-222-1811.

Sincerely,
United States Postal Service®
475 L'Enfant Plaza SW
Washington, D.C. 20260-0004





July 29, 2020

Dear Susan Hack:

The following is in response to your request for proof of delivery on your item with the tracking number: 9489 0090 0027 6139 7407 83.

Item Details

Status:	Delivered, Front Desk/Reception/Mail Room
Status Date / Time:	July 10, 2020, 11:49 am
Location:	SCOTTSDALE, AZ 85250
Postal Product:	First-Class Mail®
Extra Services:	Certified Mail™ Return Receipt Electronic

Shipment Details

Weight:	5lb, 5.9oz
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Recipient Signature

Signature of Recipient:	MHDI C R
Address of Recipient:	H/D L'ENFANT - L

Note: Scanned image may reflect a different destination address due to Intended Recipient's delivery instructions on file.

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