

**BEFORE THE INSURANCE COMMISSIONER
FOR THE STATE OF ARKANSAS**

**IN THE MATTER OF THE ADMINISTRATIVE
HEARING TO APPEAL THE DEPARTMENT'S
DENIAL OF GAIL TOWNSEND'S APPLICATION
FOR RESIDENT INSURANCE PRODUCER LICENSE**

AID NO. 2010- 051

ORDER

A hearing was held on April 1, 2010 in the hearing room of the Arkansas Insurance Department ("Department") in accordance with the provisions of the Arkansas Administrative Procedures Act and pertinent provisions of the Arkansas Insurance Code. William R. Lacy acted as the Hearing Officer pursuant to his designation as such by Jay Bradford, Insurance Commissioner, in accordance with Ark. Code Ann. § 23-61-103(e)(1). The Department was represented by Amanda Capps Rose, Associate Counsel. Gail Townsend ("Appellant") voluntarily waived her right to legal counsel and represented herself.

FINDINGS OF FACT

1. The Commissioner has jurisdiction over the parties and the subject matter pursuant to Ark. Code Ann. § 23-61-103.
2. Appellant is a resident of Little Rock, Arkansas.
3. Appellant submitted her Uniform Application for Arkansas Individual Resident Insurance Producer License, but failed to disclose three separate misdemeanor convictions from 1998, 2001, and 2002 – theft of a trade secret, theft of services, and theft of property, respectively.
4. On September 14, 2009, Fred Stiffler, Jr., Director of the Department's License Division, advised the Appellant that her application was denied due to the failure to disclose the

misdemeanor convictions and advised the Appellant of her right to an administrative hearing to appeal the determination.

5. Upon receipt of the Appellant's request for an administrative hearing, the matter was referred to the Legal Division. On November 5, 2009, the Legal Division requested additional documentation regarding the misdemeanors from the Appellant in order to prepare for the requested hearing.

6. The Legal Division reviewed the additional information submitted and, on December 7, 2009, informed the Appellant that the Department stood by its decision to deny her application.

7. Pursuant to the Appellant's request, an administrative hearing was held on April 1, 2010. William R. Lacy acted as the Hearing Officer pursuant to his designation as such by the Commissioner.

8. Appellant presented multiple letters of recommendation and character references as well as a recent performance evaluation from her employer that reflected well upon her character.

CONCLUSIONS OF LAW

Based upon the above and foregoing Findings of Fact and the evidence before him, the Hearing Officer concludes as follows:

9. Appellant has not been convicted of a felony and has paid all fines imposed related to the misdemeanors.

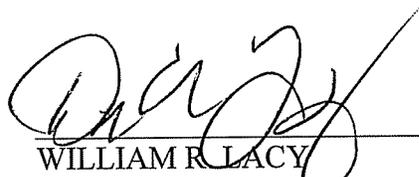
10. Based upon the Appellant's age at the time the misdemeanors were committed and the explanation provided at the hearing, Appellant meets the requirements for licensure pursuant to Ark. Code Ann. §§ 23-64-505 – 507.

RECOMMENDATIONS OF THE HEARING OFFICER

WHEREFORE, based upon the foregoing Findings of Fact, Conclusions of Law, and other matters before him, the Hearing Officer recommends as follows:

11. The Department's denial of the Appellant Application for an Arkansas Individual Resident Insurance Producer License should be reversed.

12. Appellant should be promptly issued a permit to sit for the Arkansas Resident Producer's Examination.



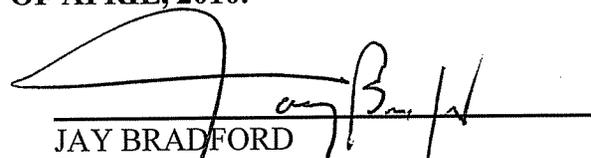
WILLIAM R. LACY
DIRECTOR, PROPERTY AND
CASUALTY DIVISION and
HEARING OFFICER

CERTIFICATION

I, Jay Bradford, Insurance Commissioner for the State of Arkansas, do hereby certify that the above Findings of Fact, Conclusions of Law, and Recommendations of the Hearing Officer were made by and under my authority and supervision by William R. Lacy, Director of the Property and Casualty Division and Hearing Officer in this proceeding. I hereby adopt the Hearing Officer's Findings of Fact, Conclusions of Law, and Recommendations in full and enter this Order.

THEREFORE, it is hereby ORDERED that the Appellant shall be issued a permit to sit for the Arkansas Resident Producer's Examination.

IT IS SO ORDERED THIS 16th DAY OF APRIL, 2010.



JAY BRADFORD
INSURANCE COMMISSIONER
STATE OF ARKANSAS