

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

**IN THE MATTER OF  
TRACY EUGENE WHITE  
LICENSE NO. # 238915**

**A.I.D. NO. 2011- 052**

**EMERGENCY LICENSE SUSPENSION ORDER**

On this day, the emergency matter of Tracy Eugene White (“Respondent”) came before Jay Bradford, Arkansas Insurance Commissioner (“Commissioner”). The Arkansas Insurance Department (“Department”) was represented by Ashley Fisher, Associate Counsel.

**FINDINGS OF FACT**

From the facts before the Commissioner, it is found:

1. The Commissioner has jurisdiction over the parties and subject matter pursuant to Ark. Code Ann. § 23-61-103 and the authority to issue emergency license suspensions under Ark. Code Ann. § 23-64-216(e), § 23-64-512(a).
2. Respondent is currently licensed in Arkansas as a resident producer agent. Respondent is licensed in the following lines: accident, health and sickness, property, casualty, life, marine, and surety. Respondent holds Arkansas license number 238915 and has been licensed with the Department since March 11, 2011. Respondent’s address of record at the Department is 503 Lakeland Drive, Hot Springs, AR 71913.
3. The Department received information alleging that Respondent had a bench warrant out for his arrest in Garland County. The Department obtained the bench warrant that

was issued for two counts of Theft of Property over \$500.00, a Class C Felony, and two counts of Fraudulent Insurance Acts, a Class D Felony.

4. In investigating further, the Department found that on September 14, 2009, consumer Joe Carver paid Respondent \$916.40 in cash as an insurance premium for general liability coverage on his delivery business, Joe's Delivery Service. Respondent gave Mr. Carver a "Certificate of Liability Insurance" with effective dates of September 16, 2009 through September 16, 2010. The certificate was signed by Respondent. The "certificate" did not have a policy number and the insurer was listed as Penn.

5. On September 28, 2009, Mr. Carver paid Respondent \$916 cash for a general liability insurance premium. He again gave Mr. Carver a "Certificate" of coverage.

6. In September 2009, Mr. Carver damaged a consumer's floor while delivering a refrigerator for Sears. The consumer contacted Respondent who initially paid for part of the repairs out of his own pocket. When the consumer threatened to sue, Respondent paid the remaining amount for repair.

7. In an interview with Department personnel, Respondent admitted that he never obtained coverage for Mr. Carver because he needed additional information.

8. Respondent refunded the money to Mr. Carver at a later date.

9. Respondent was the subject of a Consent Order with AID in 2008, wherein Respondent committed the same types of violations. He was placed on probation for one year.

#### CONCLUSIONS OF LAW

From the facts stated above, the Commissioner hereby concludes:

10. The Respondent is in violation of Ark. Code Ann. §23-64-512(a)(2) which provides that a license may be suspended or revoked for violating any insurance laws, or

violating any regulation, subpoena or order of the Commissioner or of another state's insurance commissioner.

11. The Respondent is in violation of Ark. Code Ann. §23-64-512(a)(8) which provides that a license may be suspended or revoked for using fraudulent, coercive, or dishonest practices, or demonstrating incompetence, untrustworthiness, or financial irresponsibility in the conduct of business in this state or elsewhere;

12. The Respondent is in violation of Ark. Code Ann. §23-64-512(a)(4) which provides that a license may be suspended or revoked for improperly withholding, misappropriating, or converting any moneys or properties received in the course of doing insurance business;

13. The Respondent is in violation of Ark. Code Ann. §23-66-305(a) which provides that a license may be suspended or revoked for making false or fraudulent statements or representations in an application for insurance;

14. The Respondent is in violation of Ark. Code Ann. §23-66-310(a) which states that no person shall collect any sum as premium or charge for insurance when such insurance is not then provided.

15. The Respondent is in violation of Ark. Code Ann. §23-64-223(a) which states that all funds received by a licensee shall be held in trust and the licensee shall in the applicable course of business account for and pay the funds to the insured or return the funds to the insured.

16. The Department seeks sanctions, up to and including revocation of the Arkansas insurance producer license of Respondent, pursuant to Ark. Code Ann. §23-64-512, Ark. Code Ann. §23-60-108, and financial penalties pursuant to §23-64-512(d) based upon the findings of fact.

17. Due to the gravity of the allegations and averments and pursuant to Ark. Code Ann. §23-64-216(e), it is determined that the public welfare imperatively requires emergency action ordering the immediate suspension of Respondent's insurance licenses.

18. Any and all licenses issued by the Department, whether acquired by Respondent for being a broker, agent, agency, solicitor, or consultant in this State, are hereby suspended, pending a promptly instituted hearing on the above matter, which hearing will also consider the permanent revocation of Respondent's licenses. Respondent's failure to appear at the administrative hearing will prompt a recommendation to the Commissioner and his hearing officer to immediately revoke all insurance licenses issued to Respondent.

19. The Department reserves the right to amend this Emergency License Suspension Order to include additional violations of state law.

20. A Notice of Hearing is enclosed. At the hearing, the Department will seek to revoke all licenses of Respondent based on the above allegations and to allow Respondent the opportunity to respond to these allegations.

IT IS SO ORDERED THIS 5<sup>th</sup> DAY OF AUGUST 2011.

  
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JAY BRADFORD  
INSURANCE COMMISSIONER  
STATE OF ARKANSAS