

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

**IN THE MATTER OF
ARKANSAS CORPORATE RESOURCE, INC.
d/b/a CORPORATE RESOURCE**

A.I.D. NO. 2013- 027

**LICENSE SUSPENSION AND
CEASE AND DESIST ORDER**

Now on this day the matter of the Arkansas Corporate Resource, Inc., d/b/a Corporate Resource (“Company”), is taken under consideration by Jay Bradford, Insurance Commissioner for the State of Arkansas (“Commissioner”), as presented by Nina Samuel Carter, Associate Counsel, Legal Division of the Arkansas Insurance Department (“Department”) and by the Property and Casualty Division of the Department. From the facts, matters and other things before the Commissioner, he finds and concludes as follows:

1. That the Commissioner has jurisdiction over the parties and the subject matter involved herein pursuant to Ark. Code Ann. § 23-92-401, et. seq., and § 23-65-101.
2. The Department received a copy of the Cancellation Notice sent on December 14, 2012, by SURETEC Insurance Company regarding Bond No. 3342221 to the Company advising that the bond was being cancelled effective February 12, 2013.
3. On January 15, 2013, Joie Tester, Investigator, sent a letter to Brian Sanford, the Company’s attorney, requesting information on the Company’s plan to continue operations in the state of Arkansas and advising that financial assurance is required to be furnished to the Department pursuant to Ark. Code Ann. § 23-92-408. No response was ever provided to the Department.
4. On February 1, 2013, Ms. Tester followed up the January 15 letter with a phone call to the office of Ms. Janis A. Edwards, the Controlling Person of the Company. Ms. Tester was

directed to leave a message with "Paula" and did so advising of the cancellation notice. No response was ever provided to the Department.

5. On February 13, 2013, Ms. Tester sent a letter to Ms. Edwards recapping all communications attempted on this matter. The Company was advised that since the bond was cancelled effective February 12, the Company must cease all activities in the State of Arkansas until the bond was reinstated. The letter also provided alternate means of the required financial assurance.

6. Financial assurance is required to be furnished to the Department either by an audited minimum net worth of at least one hundred thousand dollars (\$100,000) as reflected in the annual financial statements submitted to the Commissioner or a bond in the amount of at least one hundred thousand dollars (\$100,000) in order for a Professional Employer Organization ("PEO") to do business in the State of Arkansas under Ark. Code Ann. § 23-92-408.

7. Pursuant to Ark. Code Ann. § 23-92-408(e)(1), if any licensee fails to file a new bond with the Commissioner within thirty (30) days after notice of cancellation by the surety of the required bond, the license issued to the licensee of the principal under the bond shall be deemed suspended until a new surety bond is filed with and approved by the Commissioner.

8. The Company has not filed a new surety bond with the Commissioner.

9. Pursuant to Ark. Code Ann. § 23-92-408(e)(2), a suspended license under this code section means that the Company shall not carry on the business of a PEO during the period of the suspension.

10. Pursuant to Ark. Code Ann. § 23-92-411(a)(14), it shall be deemed to constitute deceptive practices for a PEO to fail to meet or maintain the requirements for license as a professional PEO.

11. Pursuant to Ark. Code Ann. § 23-65-101(b), the Commissioner may summarily order the Company to cease and desist from an act or practice when the Commissioner has reason to believe the Company has failed to comply with any provision of the Arkansas Insurance Code.

IT IS THEREFORE ORDERED AND ADJUDGED AS FOLLOWS:

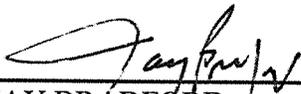
1. Pursuant to Ark. Code Ann. § 23-92-408(e)(1), the Commissioner hereby orders that the license issued to Arkansas Corporate Resource, Inc., d/b/a Corporate Resource is suspended.

2. The Company shall provide the Commissioner its client list within five (5) days of this order. The Commissioner shall give like notice of the suspension to the clients represented by the Company.

3. Pursuant to Ark. Code Ann. § 23-65-101(b) and § 23-92-408(e)(2), the Commissioner hereby orders the Company to immediately cease and desist any and all activities involving the business of a professional employer organization in the State of Arkansas for the reasons stated above.

4. The Company shall request a hearing on this Order, in writing, within thirty (30) days of its entry if the Company desires a hearing pursuant to Ark. Code Ann. § 23-65-101(b)(2)(A).

IT IS SO ORDERED THIS 27th DAY OF FEBRUARY, 2013.



JAY BRADFORD
INSURANCE COMMISSIONER
STATE OF ARKANSAS