

BEFORE THE INSURANCE COMMISSIONER
FOR THE STATE OF ARKANSAS

ARKANSAS INSURANCE DEPARTMENT

PETITIONER

V.

A.I.D. NO. 2022- 87

PHILIP MCKELLAR
NPN 1486506

RESPONDENT

CONSENT ORDER

On this day, Alan McClain, Arkansas Insurance Commissioner ("Commissioner"), and Philip McKellar, ("Respondent") agree to enter into this Consent Order for the reasons stated below. The Respondent neither admits nor denies any of the Findings of Fact or the Conclusions of Law below.

FINDINGS OF FACT

1. Respondent, Philip McKellar, holds an Arkansas resident insurance producer license, National Producer Number 1486506, and is a resident of Pulaski County.
2. Respondent holds a life line of authority to sell life insurance and annuity products.
3. Respondent is not licensed as an investment advisor or an investment advisor representative.
4. Respondent, while soliciting insurance policies, recommended the sale of securities to clients to fund annuity contracts.
5. Respondent conducted insurance services using an unlicensed business entity: McKellar and Company,

CONCLUSIONS OF LAW

From the Findings of Fact contained herein, the Commissioner concludes as follows:

1. The Commissioner has jurisdiction over the parties and subject matter pursuant to Ark. Code Ann. §§ 23-61-103 et seq., and 23-64-501 et seq.

2. Respondent's actions, including recommending the sale of securities without a license as described in the Findings of Fact above, violate Arkansas Insurance Department Joint Bulletin No. 14-2009 and Ark. Code Ann. § 23-64-512(a)(8): "Using fraudulent, coercive, or dishonest practices or demonstrating incompetence, untrustworthiness, lack of good personal or business reputation, or financial irresponsibility. . ."

3. Respondent's actions, including conducting business through an unlicensed insurance agency as described in the Findings of Fact above, violate Ark. Code Ann. § 23-64-210(d)(1).

4. Considering the Commissioner's Findings of Fact and Conclusions of Law, the Respondent agrees to paying an administrative penalty in the amount of \$6,000.00 and his license being placed on probation for a period of two years.

5. Respondent expressly waives all further procedural steps, and expressly waives all rights to seek judicial review of or to otherwise challenge or contest the validity of this Consent Order.

THEREFORE, it is hereby ORDERED AND AGREED that:

Respondent is hereby ordered to pay an administrative penalty in the amount of \$6,000.00 to the Arkansas Insurance Department Trust Account, deliverable to Arkansas Insurance Department, Legal Division, 1 Commerce Way, Little Rock, Arkansas, 72202-2087, within six months of this order being entered.

Respondent's insurance producer license, NPN 1486506 shall be placed on probation for a period of two years from the date this order is entered.

IT IS SO ORDERED THIS 19th day of October, 2022.



PHILIP MCKELLAR
RESPONDENT



ALAN MCCLAIN
INSURANCE COMMISSIONER
STATE OF ARKANSAS