

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

**ARKANSAS INSURANCE DEPARTMENT )  
PETITIONER )  
)  
VS. )  
)  
COMMERCIAL INDUSTRIAL )  
BUILDING OWNERS ALLIANCE, INC. )  
NPN: 6624478 )  
RESPONDENT )**

**A.I.D. NO. 2022- 41**

**CONSENT TO VOLUNTARY REVOCATION**

On this day, Alan McClain, Arkansas Insurance Commissioner (“Commissioner”), and Commercial Industrial Building Owners Alliance, Inc., (“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, Commercial Industrial Building Owners Alliance, Inc., is an incorporated entity domiciled in California.
2. Respondent was issued an Arkansas Business Entity Producer License, NPN 6624478, on August 15, 2009.
3. Respondent was issued Arkansas Business Entity Surplus Lines Broker Agency License, NPN 6624478, on September 9, 2009.
4. An insurance producer may not engage in the sale of unauthorized types of insurance. Ark. Code Ann. § 23-65-101. A purchasing group may only purchase liability insurance for its members in Arkansas on a group basis. The sale of group property insurance is prohibited in Arkansas. Respondent engaged in the sale of group property insurance in Arkansas from 2016 to 2021 while acting as an agent for a purchasing group.

5. An insurer or its agents may not make available through any rating plan or form any fire or casualty insurance to any association of individuals at any preferred rate, premium, or form of contract based upon any fictitious grouping of the association. Respondent made available group property insurance at a preferred rate or form of contract for its Arkansas members based on a fictitious grouping.

6. A surplus lines broker must be licensed as a property or casualty insurance producer in this state to maintain their surplus lines broker license. Ark. Code Ann. § 23-65-308(b).

### 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., 23-64-512(a), 23-65-301 et seq, and 23-94-201 et seq.

2. The Commissioner may suspend or revoke an insurance producer's license for any violation of a law or rule of the Arkansas Insurance Department. Ark. Code Ann. § 23-64-512(a)(2).

3. Pursuant to the provisions of the Liability Risk Retention Act of 1986, a purchasing group and its agents may only purchase insurance for its group members to cover their similar or related liability exposure. Respondent's actions were a violation of Ark. Code Ann. § 23-65-101.

4. No insurer or its agent may make available any fire insurance policy at a rate based on fictitious grouping. Ark. Code Ann. § 23-66-304. Respondent's actions as described above, the sale of property insurance on a group basis, were a violation of Ark. Code Ann. § 23-66-304.

5. Considering the Commissioner's Findings of Fact and Conclusions of Law, the Respondent agrees to its Arkansas insurance producer business entity license and surplus lines broker business entity license being voluntarily revoked.

6. 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:

The insurance producer business entity license and surplus lines broker business entity license issued by the Arkansas Insurance Department to Respondent, Commercial Industrial Building Owners Alliance, Inc., NPN 6624478, are hereby revoked.

IT IS SO ORDERED THIS 6<sup>th</sup> day of May, 2022.

**Julie Kim**

Digitally signed by Julie Kim  
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Date: 2022.05.04 12:21:05 -0700'

Associate Vice President

COMMERCIAL INDUSTRIAL  
BUILDING OWNERS ALLIANCE  
RESPONDENT



ALAN MCCLAIN  
INSURANCE COMMISSIONER  
STATE OF ARKANSAS