



3. Question 39.1 of the application required Appellant to state whether she had ever been convicted of a crime, including a misdemeanor, felony or military offense. Appellant answered the question “yes.”

4. Appellant submitted a written explanation of her criminal background and supporting documents from Bentonville District Court.

5. Appellant had four (4) misdemeanor convictions: two (2) separate incidents of Possession of Drug Paraphernalia on February 10, 2009 and October 20, 2010 and two (2) separate incidents of Contempt of Court on November 3, 2009 and August 17, 2010.

6. On June 27, 2012, the Department notified Appellant that her application for a producer license and permit to sit for the Arkansas Producer’s Examination was denied because of her criminal background. Appellant was also advised that she had a right to request an administrative hearing to appeal the denial.

7. Appellant requested a hearing to appeal the license denial, and the appeal hearing was scheduled for August 8, 2012.

8. At the hearing, Appellant took responsibility for her criminal background and acknowledged the mistakes she made in the past. She testified that she completed the terms of the sentence for the convictions, including paying all fines, attending a drug and alcohol class, performing ten (10) hours of community service and completing probation. Appellant further testified that she had not been in any trouble since the date of the last conviction and her steady work history demonstrates her responsibility and good customer service. Appellant presented letters from her current employer and past employers that explained her work ethic and good business practices.

### CONCLUSIONS OF LAW

9. Pursuant to Arkansas Code Annotated § 23-64-506, in order to obtain an insurance producer's license, an applicant must demonstrate that she is competent, trustworthy, financially responsible, and of good personal and business reputation.

10. In the application process, the applicant must provide correct, complete and true information to the Department, and an application may be denied when the applicant demonstrates incompetence, untrustworthiness, lack of good personal or business reputation, or financial irresponsibility, or violated a law that calls into question the applicant's fitness to hold a license. *See* Ark. Code Ann. § 23-64-512(a).

11. At the hearing, the Appellant acknowledged the mistakes she made in her past and testified that she has a good work ethic and is relied on by her current employer, which evidences her competence, trustworthiness, financial responsibility and good personal or business reputation.

12. Based upon the evidence before the Hearing Officer and the safeguards, terms and conditions set forth below, Appellant fulfilled her burden of showing that the Department should reverse its decision and grant her application for a permit to sit for the Arkansas Producer's Examination.

**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:

13. That the Department's denial of the Appellant's Application for an Arkansas Resident Insurance Producer License be reversed, and Appellant be promptly issued a permit to sit for the Arkansas Producer's Examination.

14. That Appellant be placed on unsupervised probation for a period of one (1) year.

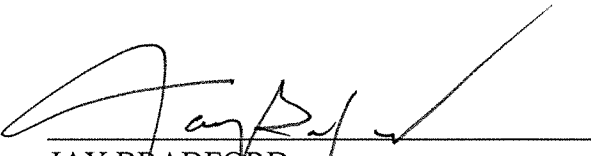
  
WILLIAM R. LACY  
DEPUTY COMMISSIONER  
and HEARING OFFICER

**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, Deputy Commissioner 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's Application for an Individual Resident Insurance Producer License and permit to sit for the Arkansas Producer's Examination is granted. Appellant will be placed on unsupervised probation for one (1) full year of licensure.

**IT IS SO ORDERED THIS 17<sup>th</sup> DAY OF AUGUST, 2012.**



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JAY BRADFORD  
INSURANCE COMMISSIONER  
STATE OF ARKANSAS