

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

ARKANSAS INSURANCE DEPARTMENT,)
Petitioner)
)
vs.)
)
CARLA CHASTAIN,)
Respondent)

A.I.D. 2013- 076

PROBATION CONSENT ORDER

On this day, the matter of Carla Chastain (“Respondent”) comes before Jay Bradford, Arkansas Insurance Commissioner (“Commissioner”). The Arkansas Insurance Department (“Department”) was represented by Ava Franks, Associate Counsel, in this matter. From the facts and law before the Commissioner, the Commissioner finds as follows:

FINDINGS OF FACT

1. Respondent possesses Arkansas Resident Producer License No. 25626.
2. On February 8, 2013, the Department received a facsimile of an advertisement belonging to Respondent and an investigation commenced.
3. The advertisement included an agency name that was not registered with the Department.
4. On February 4, 2009, the Department mailed a Letter of Reprimand to Respondent, the subject of which was inappropriate annuity replacements.
5. Since that Letter of Reprimand, the Department has had four (4) other investigatory files concerning Respondent’s advertisements as an insurance agent. For each of those files, the Department communicated with Respondent how to rectify the issues but took no formal administrative action.

6. This advertisement is the fifth advertisement distributed by the Respondent that the Department investigated. The Department worked with Respondent to yet again explain Arkansas Insurance advertising laws and how to comply with those requirements.

CONCLUSIONS OF LAW

7. The Commissioner has jurisdiction over the Respondents and subject matter herein pursuant to Ark. Code Ann. §§23-61-103, *et seq.*

8. The Commissioner may place an insurance producer's license on probation for violating a law or regulation of the Commissioner pursuant to Ark. Code Ann. §23-64-512(a)(2).

9. A business entity that acts as an insurance producer is required to obtain an insurance producer license according to Arkansas Code § 23-64-506(b). An insurance producer is a person who sells, solicits, or negotiates insurance. Ark. Code Ann. § 23-64-502(4). Respondent's business entity is used to solicit insurance business because the entity is featured in the advertisement of an insurance seminar.

10. The advertisement in question was noncompliant with the requirements of Directive 2-2008, which states that Respondent must provide her insurance license number in the same type size used for the producer's name or telephone number.

11. All advertisements of Arkansas licensed insurance producers are the responsibility of the insurance producer who presents the ad. Rule 99 Section 4B.

IT IS THEREFORE ORDERED that:

Respondent's Arkansas Resident Producer License No. 25626 is hereby placed on probationary status for a period of one (1) year from the date of this Probation Order. If during that period of probation the Respondent commits any act in violation of the Arkansas Insurance Code, this Consent Order and the previously issued Letter of Reprimand will be used in concert with any future proceedings to determine the administrative action that will be taken against the Respondent's producer license.

August IT IS SO ORDERED, DIRECTED, AND AGREED TO THIS 7 DAY OF
2013, 2013

Carla Chastain
CARLA CHASTAIN
RESPONDENT

Jay Bradford
JAY BRADFORD
INSURANCE COMMISSIONER
STATE OF ARKANSAS