

BEFORE THE INSURANCE COMMISSIONER
FOR THE STATE OF ARKANSAS

WILLIAM DONALDSON)
APPELLANT)
)
VS.)
)
ARKANSAS INSURANCE DEPARTMENT,)
RESPONDENT)

A.I.D. NO. 2016- 043

ORDER

On this day, the matter of William Donaldson (“Appellant”) came before Allen Kerr, Arkansas Insurance Commissioner (“Commissioner”). A hearing was held on April 14, 2016, at the Arkansas Insurance Department pursuant to the request of Appellant to appeal the Department's decision to deny his application for an Arkansas Producer's License. The hearing was held before Chief Deputy Commissioner, Russ Galbraith, pursuant to his appointment by the commissioner in accordance with Ark. Code Ann. § 23-61-103. The Arkansas Insurance Department (“Department”) is represented by Gray Allen Turner, Associate Counsel, in this matter. From the facts and law before him, the Commissioner finds as follows:

FINDINGS OF FACT

1. Appellant is a resident of Bentonville, Arkansas. Appellant applied for an Arkansas Producer License on March 23, 2016. That application was denied and made a timely Appellant request for an appeal hearing.

2. This matter came on for hearing on April 14, 2016. Appellant was present and waived his right to counsel.

3. In a 2009 FINRA Waiver and Consent order, Appellant, was suspended from associating from any FINRA member for one month and fined \$5,000. The fine was only due and payable in the event Appellant sought to associate with any FINRA member in the future. The Appellant is eligible to reinstate his FINRA status upon payment of the fine.

CONCLUSIONS OF LAW

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

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

2. Pursuant to Ark. Code Ann. § 23-64-506, in order to obtain a license an applicant must demonstrate that he is competent, trustworthy, financially responsible, and of good personal and business reputation.

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

RECOMMENDATION OF THE HEARING OFFICER

WHEREFORE, based upon the foregoing Findings of Fact, Conclusions of Law, and other matters before him, the Hearing Officer recommends:

1. That the Department's denial of the Appellant's Application for an Arkansas Insurance Producer's License be reversed, and Appellant be promptly issued a permit to sit for the Arkansas Insurance Producer's Examination.
2. That Appellant be placed on probation for a period of one year from the date this order is entered.
3. That Appellant is granted a life line of authority and may not sell variable annuities.



RUSS GALBRAITH
CHIEF DEPUTY INSURANCE
COMMISSIONER
AND HEARING OFFICER

CERTIFICATION

I, Allen Kerr, 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 Russ Galbraith, Chief Deputy Insurance Commissioner and Hearing Officer in this proceeding. I hereby adopt the Hearing Officer's Findings of Fact, Conclusions of Law, and Recommendation in full and enter this Order.

THEREFORE, it is hereby ORDERED that:

1. Appellant shall be allowed to sit for the Arkansas Producer's Examination; however, Appellant will be placed on probation upon successful completion of the examination for one full year of licensure. This license is limited to a life line of authority and the Appellant shall not sell variable annuity products.

IT IS SO ORDERED THIS 16th day of May, 2016.

A handwritten signature in black ink, appearing to read 'Allen Kerr', is written over a horizontal line.

ALLEN KERR
INSURANCE COMMISSIONER
STATE OF ARKANSAS