

BEFORE THE INSURANCE COMMISSIONER
FOR THE STATE OF ARKANSAS

IN THE MATTER OF:) AID NO. 2022- 79
)
ARTURO VILLAVICENCIO)
PETITIONER)
NPN 9690953)

ORDER

On this day, the matter of Mr. Arturo Villavicencio’s insurance producer application (“Petitioner”) came before Alan McClain, Arkansas Insurance Commissioner (“Commissioner”). A hearing was held on August 10, 2022, in the Second Floor Hearing Room of the Arkansas Insurance Department (“Department”) pursuant to an Amended Notice of Hearing dated July 26, 2022. The hearing was held before Jimmy Harris, Compliance Manager and Hearing Officer (“Hearing Officer”) pursuant to his appointment by the Commissioner in accordance with Ark. Code Ann. § 23-61-103(e)(1). The Department was represented by Gray Allen Turner, Associate Counsel. The Petitioner was present and represented by Alex Burgos.

FINDINGS OF FACT

1. Petitioner is a resident of Pulaski County, Arkansas.
2. Petitioner applied for an Arkansas resident insurance producer license on February 26, 2022.
3. Petitioner’s license application was denied and Petitioner filed a timely notice of hearing.
4. An amended notice of hearing was sent on February 26, 2022, and notice has been sent as required by statute.
5. Petitioner was formerly licensed as an insurance producer in Tennessee.
6. In Tennessee Department of Commerce and Insurance case TID No. 17-009, after an administrative hearing, Petitioner, while employed by Farmers, was found to have misappropriated funds eighteen times in violation of Tenn. Code

Ann. § 56-6-112(a)(4) and (8). Petitioner's conduct was found to be knowing and intentional.

7. Petitioner's Tennessee insurance license was revoked on August 3, 2017 for failure to remit premiums. A civil penalty in the amount of \$18,000 was imposed.

8. There was no harm to policy holders and Farmers was made whole.

9. Petitioner has paid the civil penalty to the Tennessee Department of Commerce and Insurance.

10. Petitioner admitted to misappropriating the funds. Petitioner's testimony was candid and credible. He acknowledged his actions were wrong.

CONCLUSIONS OF LAW

1. The Commissioner of Insurance has jurisdiction pursuant to the Arkansas Insurance Code, specifically Ark. Code Ann. §§ 23-60-101, et seq. and 23-64-501 et seq.

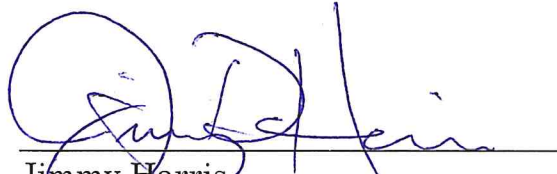
2. Between February and May of 2014, Petitioner failed to remit \$4,303.35 in premium collected in cash from Farmer's policyholders. Petitioner wrongly withheld cash from eighteen different customers. After a hearing, Petitioner's Tennessee insurance producer license was revoked.

3. An insurance producer application may be denied where applicant has previously had an insurance producer license or its equivalent denied, suspended, or revoked in any other state, province, district, or territory as authorized by Ark. Code Ann. § 23-64-512(a)(9). Petitioner's insurance license was revoked by the Tennessee, a violation of Ark. Code Ann. § 23-64-512(a)(9).

RECOMMENDATION OF HEARING OFFICER

WHEREFORE, upon consideration of the evidence of record and the foregoing Findings of Fact and Conclusions of Law, the Hearing officer recommends the following:

That the Arkansas resident insurance producer license application of the Petitioner, Arturo Villavicencio, be denied.

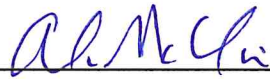

Jimmy Harris
Hearing Officer

CERTIFICATION

I, Alan McClain, Insurance Commissioner for the State of Arkansas, do hereby certify that the above Findings of Fact, Conclusions of Law, and Recommendation of the Hearing Officer were made by and under my authority and supervision by Jimmy Harris, Hearing Officer in this proceeding. I hereby adopt the Hearing Officer's Findings of Fact, Conclusions of Law and Recommendation in full, as set forth herein.

THEREFORE, it is hereby ORDERED that the Arkansas resident producer license application of Arturo Villavicencio, NPN 9690953 is denied

IT IS SO ORDERED THIS 19th DAY OF September, 2022.


ALAN MCCLAIN
INSURANCE COMMISSIONER
STATE OF ARKANSAS