

# Arkansas Insurance Department

Mike Beebe  
Governor



Jay Bradford  
Commissioner

November 8, 2013

Christopher J. Luther  
200 North Jefferson, Suite 514  
El Dorado, AR 71730

## **LETTER OF REPRIMAND**

Dear Mr. Luther:

The Arkansas Insurance Department received notices from Old Republic National Title Insurance Company and Chicago Title Insurance Company that your appointment with each underwriter was terminated for cause. Specifically, the companies stated in a fraud report to the Department that you or a person at your agency deposited a check in the amount of \$5,621.96 from the escrow account into the agency's operating account. Based on the information obtained during our investigation of these allegations, including your written statement, you are hereby served with this LETTER OF REPRIMAND.

Arkansas law requires a licensed agent to treat all funds, fees, moneys, premiums, or return premiums received by him in the capacity as a licensee as trust funds so received by the licensee in a fiduciary capacity, and the licensee shall in the applicable regular course of business account for and pay these funds, fees, moneys, premiums, or return premiums to the insured, insurer, licensee, or any other person entitled thereto. Ark. Code Ann. § 23-64-223(a). Further, in order to hold a license in the State of Arkansas, a person must be deemed by the Commissioner to be competent, trustworthy, financially responsible, and of good personal and business reputation. Ark. Code Ann. § 23-64-512(a)(8).

The Department has evidence and admissions by you that you mishandled consumer's funds when you erroneously issued a check to your agency that should have been issued to or on behalf of a consumer. After the error was discovered by your underwriter in an annual audit, you issued the correct check to or on behalf of the consumer. It took more than eight (8) months for the error to be discovered and corrected. On August 1, 2013, you surrendered your and your agency's title insurance licenses.

Given these facts and violations of Arkansas law, you are hereby served with this Letter of Reprimand. The Letter of Reprimand will remain on your license record and be forwarded to the National Association of Insurance Commissioners ("NAIC") for publication on the NAIC website.

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The Department will close its file with this Letter of Reprimand and not pursue any other administrative action against you for this matter. If you feel that this Letter of Reprimand is unjust or unwarranted, you may request an administrative hearing within thirty (30) days of your receipt of this correspondence. Such a request must be made to me in writing.

Sincerely,

*Amanda J. Andrews*

Amanda J. Andrews

Associate Counsel

(501) 371-2820

cc: Sarah Harper Gray