

# Arkansas Insurance Department

Mike Beebe  
Governor



Jay Bradford  
Commissioner

July 11, 2013

*Via U.S. Mail and Certified Mail (RRR) 70091680000226043468*

Ronnie Rankin  
3017 Highway 64 West  
Mulberry, AR 72947

## LETTER OF REPRIMAND

Dear Mr. Rankin:

The Arkansas Insurance Department received a complaint from the Professional Insurance Agents of Arkansas ("PIAA") that you paid for your Errors and Omissions Insurance Policy with a check that was returned for insufficient funds. American Financial Services also informed the Department that you gave them three (3) checks that were returned for insufficient funds. For your reference, the attached correspondence lists the debts that PIAA and AFS/IBEX claim you owe to them. Based on the information obtained during our investigation of these allegations and your testimony at the Investigative Conference, you are hereby served with this LETTER OF REPRIMAND.

On February 1, 2013, you appeared at the Department for an Investigative Conference, and under oath, you admitted that the check you provided to the PIAA as down payment for your errors and omissions coverage was returned for insufficient funds. You also testified that beginning in our about 2010, several of you clients went out of business, and you paid their insurance premiums in order to keep the policies in effect.

Pursuant to Arkansas Code Annotated § 23-64-512(a)(8), in order to hold a producer license in the State of Arkansas a person must be deeded by the Commissioner to be competent, trustworthy, financially responsible, and of good personal and business reputation. Further, it is unlawful for an insurance producer to pay, allow or give, or offer to pay, allow or give, directly or indirectly, as an inducement to insure or after insurance has been effected, any rebate, discount, abatement, credit or reduction of the premium named in a policy of insurance, or any special favor or advantage in the dividends or other benefits to accrue thereon, or any valuable consideration or inducement whatever not specified in the policy except to the extent provided for in an applicable filing with the Insurance Commissioner as provided by law. Ark. Code Ann. § 23-66-308(a). In other words, it is a violation of Arkansas law for you to pay the premium of an insured in order to keep the policy, for which you earn commission, in full force and effect. A violation of Arkansas Code Annotated § 23-66-308(a) could result in administrative action against your producer license pursuant to Arkansas Code Annotated § 23-64-512(a)(2)(A), (7).

The Department has evidence and admissions by you that (1) you paid insurance-related debts with checks that were returned for insufficient funds, and (2) you paid premiums of your client's policies in order to keep the policy in effect. 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.

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  
Associate Counsel  
(501) 371-2820

enclosures

cc: Mary Coney  
Jerry Canfield, counsel for Ronnie Rankin