

# Arkansas Insurance Department

Asa Hutchinson  
Governor



Allen Kerr  
Commissioner

March 24, 2015

Jerad Brothers  
4113 Northshore Dr  
Benton AR 72015

Via U.S. Mail and Certified Mail Return Receipt  
No. 7009 1680 0002 2604 1488

## NOTICE OF HEARING

Dear Mr. Brothers:

You are hereby notified that an administrative hearing has been scheduled pursuant to Ark. Code Ann. §§ 23-61-303 and other applicable provisions of Arkansas law, before Insurance Commissioner Allen Kerr, as Hearing Officer, or his designee, on April 15, 2015, at 10:00 a.m. in the First Floor Hearing Room, Arkansas Insurance Department ("Department"), 1200 West Third Street, Little Rock, Arkansas. The purpose of this hearing is to allow you to appeal the Department's suspension of your Resident Producer License.

You have the right to represent yourself or be represented by legal counsel of your own choosing at this proceeding. Additionally, the Commissioner will obtain a competent reporter to record the hearing. You may avail yourself of other privileges, including the Department's assistance to subpoena any needed witnesses or records.

Your verbal or written notification that you have received this notice of hearing must be received in this office within ten (10) days of your receipt. If your notification is not received by the Department within ten (10) days, any and all expenses incurred by the Department in continuing the hearing or in notification of witnesses, including but not limited to, phone calls, issuance of subpoenas and postage, will be charged to the party or parties requesting such continuance. If you or your attorney determines that a continuance is necessary, or you have questions or concerns, please contact me at (501) 371-2829.

Sincerely yours,

A handwritten signature in blue ink that reads "Gray Turner".

Gray Allen Turner  
Associate Counsel, Legal Division

BEFORE THE INSURANCE COMMISSIONER  
FOR THE STATE OF ARKANSAS

ARKANSAS INSURANCE DEPARTMENT, )  
PETITIONER )  
 )  
VS. )  
 )  
JERAD BROTHERS )  
RESPONDENT )

A.I.D. NO. 2015- 024

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EMERGENCY SUSPENSION ORDER

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On this day, the matter of Jerad Brothers (“Respondent”) came before Allen Kerr, Arkansas Insurance Commissioner (“Commissioner”). 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. Respondent holds an Arkansas Resident Producer License, National Producer Number 16215825. Respondent resides in Benton.
2. Mr. Brothers, while acting as a producer, has misappropriated funds from several consumers.
3. On September 12, 2013, Justin Bramlet paid Mr. Brothers \$270.00 for an automobile insurance policy. Mr. Brothers never obtained the insurance policy for Mr. Bramlet.

4. In June of 2013, Ann Saunders paid \$92.00 in cash to Mr. Brothers for a marine policy. Mr. Brothers never obtained the insurance policy for Mrs. Saunders.

5. Darren Hurt gave Mr. Brothers a check payable to DF&A for \$1,436.14. Mr. Brothers deposited the check into his own account.

6. On July 18, 2014, Terra Gilbert wrote a check for \$2502.00 payable to Herzfeld Insurance for home and camper insurance. Mr. Brothers endorsed the check and had the \$2502.00 deposited into his personal account.

7. On May 15, 2014, Al and Mona Hixon wrote a check to Herzfeld Insurance for \$733.20 for homeowner's insurance. Mr. Brothers deposited the check into his personal account.

8. On March 20, 2014, James Swindle wrote a check to Herzfeld Insurance for \$677.00. Mr. Brothers endorsed the check and has it deposited into his personal account.

9. On September 15, 2014, Duke Wholesale wrote a check to Mr. Brothers for \$2910.00 for a down payment on an insurance premium. The funds were not used to pay the insurer.

10. Mr. Brothers gave a statement to the Benton Police Department admitting to making several unauthorized deposits.

11. The public health, safety, and welfare imperatively require emergency action.

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. The Commissioner has the authority to issue an emergency license suspension pursuant to Ark. Code Ann. §§ 23-64-216(e) and 25-15-211(c).
3. An administrative hearing will be held promptly, as required by Ark. Code Ann. § 23-64-216(e)(2). A Notice of Hearing is being served herewith.
4. The Commissioner and the Department reserve the right to amend the allegations, findings and conclusions set forth herein and further reserve the right to present additional allegations and evidence in any subsequent order or administrative hearing.

IT IS THEREFORE ORDERED:

In consideration of the Commissioner's Findings of Fact and Conclusions of Law, the Respondent's Arkansas Resident Producer License, National Producer Number 16215825, is hereby immediately suspended.

IT IS SO ORDERED this 23<sup>rd</sup> day of March, 2015.

  
ALLEN KERR  
INSURANCE COMMISSIONER  
STATE OF ARKANSAS