

# Arkansas Insurance Department

Asa Hutchinson  
Governor



Allen Kerr  
Commissioner

May 31, 2016

**Certified Return Receipt 7009 1680 0002 2606 4012 and U.S. Mail**

Mr. Cedric Wilson  
Wilson's Funeral Home  
112 East Garland St.  
Helena-West Helena, Arkansas 72390

**RE: In the Matter of Cedric Wilson, and Wilson's Funeral Home**

Dear Mr. Wilson:

Please find the following Notice of Hearing:

**NOTICE OF PUBLIC HEARING**

You are advised that an administrative hearing will take place on **June 29, 2016, at 1:30 p.m.** in the First Floor Hearing Room of the Arkansas Insurance Department ("Department"), 1200 West Third Street, Little Rock, AR 72201-1904. The hearing will be held before Insurance Commissioner Allen Kerr, or his designated Hearing Officer, concerning the following matters. The Hearing is your opportunity to defend yourself against the following allegations, and against the possible revocation of your producer's license.

**ALLEGATIONS**

1. Respondent Cedric Wilson owns Wilson's Funeral Home located in Helena-West Helena, Arkansas.
2. Respondent Wilson currently resides in Marvell, Arkansas.
3. Respondent Wilson holds a Funeral Expense license, number 0017914017.
4. Neither of the Respondents holds a prepaid funeral benefit permit.
5. Respondent Wilson is currently holding a prepaid funeral benefit contract, for which he collected approximately \$3,500.00 from the consumer.

6. The contract was executed on May 13, 2015.
7. In August 2015, Respondent Wilson expressed to the Department, his intent to apply for a prepaid funeral benefits permit.
8. Respondent Wilson partially applied for the permit on September 29, 2015, but he has been unwilling or unable to complete the application process.
9. In the months after Respondent submitted the application, the Department attempted to communicate with Respondent in order to assist Respondent in completing his application, but those attempts were unsuccessful.
10. On February 26, 2016, the Department finally made contact with Respondent Wilson with regard to his application and at that time, he advised the Department that he had some 1500 emails that he had not read, including emails from the Department.
11. Respondent Wilson is not licensed by the Arkansas State Board of Embalmers and Funeral Directors, yet on March 5, 2016, he stated on social media that he had passed the exam to become licensed. The truth was, he had not yet taken the exam.
12. Respondent Wilson participated in an investigative conference held at the Department on March 28, 2016. During that conference, Respondent admitted that he was holding the contract and funds in question, that he was unaware that he needed to pay taxes to the Secretary of State's office, and that he was unaware that the status of his funeral home had been revoked with the Secretary of State's office.

#### APPLICABLE LAW AND CHARGES

1. Ark. Code Ann. §§ 23-61-101, *et seq.*, assigns the responsibility for administration of the Arkansas Insurance Code to the Arkansas Commissioner of Insurance (hereinafter referred to as the "Commissioner"). The Department is the lawful agency through which the Commissioner

administers the Arkansas Insurance Code, and the Department is authorized to bring this action for the protection of Arkansas consumers.

2. The Commissioner has jurisdiction over the parties and subject matter pursuant to Ark. Code Ann. §§ 23-40-107(a), 23-40-108, and 23-61-103.

3. The Arkansas Producer Licensing Model Act, codified at Ark. Code Ann. § 23-64-501 et seq., governs Respondent's Funeral Expense License.

4. More specifically, Ark. Code Ann. § 23-64-506(e)(1) requires that in order to obtain or renew a producer's license, the producer "must be deemed by the commissioner to be competent, trustworthy, financially responsible, and of good personal and business reputation." Further, Ark. Code Ann. § 23-64-506(e)(2) provides that "qualifications for licensure under this section *must continue* in order to remain licensed." (emphasis added).

5. Ark. Code Ann. § 23-64-512(a) allows the Commissioner to "place on probation, suspend, revoke, or refuse to issue or renew an insurance producer's license or may levy a civil penalty in accordance with § 23-64-216 or any combination of actions for any one (1) or more of the following causes:... (8)...demonstrating incompetence, untrustworthiness, lack of good personal or business reputation, or financial irresponsibility".

6. Respondent's conduct as detailed in the allegations 4 through 12, above, are in violation of Ark. Code Ann. § 23-64-512(a)(8) which prohibits producers from "...demonstrating incompetence, untrustworthiness, lack of good personal or business reputation, or financial irresponsibility".

7. Respondent's conduct as detailed in the allegations 4 through 12, above, are in violation of Ark. Code Ann. § 23-64-506(c) and (e)(2) requiring the producer to satisfy the Commissioner

of the adequacy of his background, trustworthiness, personal and business reputation, and financial responsibility, not only to obtain a license, but also to maintain it.

NOTICE:

You have the right to be represented by 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 in issuing subpoenas to any needed witnesses or records.

Your written notification by mail, email or facsimile, that you have received this Notice of Hearing, must be received in this office within **ten (10) days of your receipt** of this notice. If your written 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, please call me at (501) 371-2820.

The Department will make all Hearing Exhibits available to you upon timely request, as required by and in conformity with the Arkansas Administrative Procedure Act., Ark. Code Ann. § 25-15-208.

In lieu of a hearing, you may dispose of this matter by signing a consent order. Please call me for details at 501-371-2820.

Sincerely,



Amanda Gibson  
Associate Counsel/Legal Division  
(501) 371-2820

cc: Robert Akers, Manager, Prepaid Funeral Benefits Division  
Marjorie Farmer, Investigator, Legal Division  
LoRraine Rowland (via e-mail)  
Ryan James (via e-mail)  
Correspondence File