

BEFORE THE INSURANCE COMMISSIONER  
FOR THE STATE OF ARKANSAS

IN THE MATTER OF  
JUDY KAY REXROAT  
LICENSE NO. 37502

A.I.D. NO. 2007- 059

CONSENT REVOCATION ORDER

On this day, Julie Benafield Bowman, Arkansas Insurance Commissioner (Commissioner), and Judy Kay Rexroat (Respondent), agree to enter this Consent Revocation Order for the reasons stated below. The Respondent neither admits nor denies the Findings of Fact or Conclusions of Law set forth below. The Department was represented by Robert Alexander, Associate Counsel, in this matter. From the facts and laws before the Commissioner, she finds:

FINDINGS OF FACT

1. The Commissioner has jurisdiction over the parties and subject matter pursuant to Ark. Code Ann. §23-61-103 and the authority to issue summary license suspensions and/or order payment of penalties under Ark. Code Ann. §§ 23-60-108, 23-64-216(e), 23-64-512(a), and 23-66-408.
2. Respondent is licensed as a resident producer and holds producer license #37502.
3. Respondent over the course of time during 2004 and 2005 misappropriated insurance premiums she received as an agent for State Farm Insurance Company. The amounts misappropriated exceeded \$10,000. The moneys were diverted for her own use.
4. Respondent was terminated from her employment with the Bob Wright Insurance Agency on November 2, 2006 for misappropriating insurance premiums.

5. The actions of the Respondent did not cause any insurance policies to be cancelled.

### VIOLATIONS

Respondent is in violation of:

6. Ark. Code Ann. § 23-64-216(a)(2)(B) which provides that a license may be suspended or revoked for violation or noncompliance with any applicable provision of the laws of this State, this Code, or of any lawful rule, regulation, or order of the Commissioner.
7. Ark. Code Ann. § 23-64-216(a)(2)(D) which provides that a license may be suspended or revoked for improperly withholding, misappropriating, or converting any moneys or properties received in the course of doing insurance business.
8. Ark. Code Ann. § 23-64-216(a)(2)(H) which provides that a license may be suspended or revoked for using fraudulent, coercive, or dishonest practices, or demonstrating incompetence, untrustworthiness, or financial irresponsibility in the conduct of business in this state or elsewhere.
9. Ark. Code Ann. § 23-64-512(a)(4) which provides that a license may be suspended or revoked for improperly withholding, misappropriating, or converting any moneys or properties received in the course of doing insurance business.
10. Ark. Code Ann. § 23-64-223, which provides that all funds, fees, moneys, premiums, or return premiums received by a licensee in the capacity as a licensee shall be 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.

CONCLUSIONS OF LAW

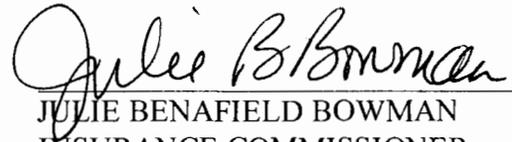
11. For the above actions, Respondent is in violation of Ark. Code Ann. §§ 23-60-109, 23-64-216(a)(2)(B),(D) and (H), 23-64-512(a)(2)(4) and (8), and 23-64-223.
12. All licenses issued to Respondent by the Department should be revoked.

THEREFORE, it is hereby ORDERED AND AGREED that:

All licenses issued by the Department to Judy Kay Rexroat are hereby revoked.

IT IS SO ORDERED THIS 15<sup>th</sup> day of October, 2007.

  
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JUDY KAY REXROAT

  
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JULIE BENAFIELD BOWMAN  
INSURANCE COMMISSIONER  
STATE OF ARKANSAS