

BEFORE THE INSURANCE COMMISSIONER
FOR THE STATE OF ARKANSAS

IN THE MATTER OF
AMY LYNN FORBS, LICENSE NO. 266110
and
HOMECLOSERS OF NORTHEAST ARKANSAS, INC.

A.I.D. NO. 2008- 0 6 5

EMERGENCY LICENSE SUSPENSION ORDER

On this day the emergency matter of Amy Lynn Forbs, ("Respondent") and HomeClosers of Northeast Arkansas, Inc. ("Agency"), came before Julie Benafield Bowman, Arkansas Insurance Commissioner ("Commissioner"). The Arkansas Insurance Department ("Department") was represented by Nina Samuel Carter, Associate Counsel. From the facts before the Commissioner, it is found:

1. The Commissioner has jurisdiction over the parties and subject matter pursuant to Ark. Code Ann. § 23-61-103 and the authority to issue emergency license suspensions under Ark. Code Ann. § 23-64-216(e), § 23-64-512(a), and § 23-103-416.
2. Respondent is currently licensed in Arkansas as a resident title insurance producer. Respondent holds Arkansas resident producer license number 266110 and has been licensed with the Department since January of 2008. She is the sole owner and operator of HomeClosers of Northeast Arkansas, Inc., an Arkansas resident title insurance agency, license number 325436. The Agency has been licensed with the

Department since January 17, 2008. Respondent's address of record at the Department is P.O. Box 312, Rector, AR 72461.

3. Respondent was terminated by Stewart Title Guaranty Company ("Stewart") because Stewart alleges that Respondent failed to remit premium money.

4. According to information provided by Stewart, Respondent had failed to submit policy reports and was over 90 days in arrears on premium payments owed to Stewart. Respondent admitted to Stewart that she could not immediately turn over the premium moneys due.

5. Stewart conducted an Audit of the Agency in September 2008 and determined that Respondent failed to remit to an amount in excess of \$22,000.00 in premium moneys collected in violation of Stewart's policy on premium funds remittance. As part of the Audit and due to the resulting agency cancellation agreement, Stewart removed all of its policies issued by Respondent and maintained by the Agency.

6. An investigation by the Department confirmed that Respondent was aware of premiums owed. Respondent also responded that she could not immediately make the overdue payments.

7. The actions of Respondent, as described in the preceding paragraphs, are in violation of the Insurance Code for: Improperly withholding, misappropriating, or converting any moneys or properties received in the course of doing insurance business, in violation of Ark. Code Ann. § 23-64-512(a)(4); Using fraudulent, coercive, or dishonest practices or demonstrating incompetence, untrustworthiness, lack of good personal or business reputation or financial irresponsibility, in violation of Ark. Code Ann. § 23-64-512(a)(8); and Failing to pay premiums to the insurer, in breach of her

fiduciary duty as a licensee to treat these moneys as trust funds, in violation of Ark. Code Ann. § 23-64-223.

8. At the upcoming hearing, the Department seeks administrative penalties and sanctions, up to and including revocation of the Arkansas insurance licenses of Respondent and Respondent's Agency based on the above allegations.

IT IS THEREFORE ORDERED AND ADJUDGED, as follows:

1. Due to the gravity of the allegations and averments, it is found that a public emergency exists for the immediate suspension of Respondent's insurance licenses.

2. Pursuant to Ark. Code Ann. §§ 23-64-216(e) and 23-103-416, any and all licenses issued by the Department, whether acquired by Respondent, Amy Lynn Forbs, or her Agency, HomeClosers of Northeast Arkansas, Inc., for being a broker, agent, agency, solicitor, or consultant in this State, are hereby suspended, pending a promptly instituted hearing on the above matter. Respondent's failure to appear at the administrative hearing will prompt a recommendation to the Commissioner and the hearing officer to immediately revoke all insurance licenses issued to Respondent and her Agency.

3. The Department shall notify Respondent's appointing insurance companies of this action pursuant to Ark. Code Ann. § 23-64-217(a)(3).

4. The Department reserves the right to amend and/or supplement the facts contained in this Order to include additional violations of state law, with notice to Respondent.

5. A Notice of Hearing is enclosed. At the Hearing, the Department will seek to revoke all insurance licenses of Respondent based on the above allegations.

IT IS SO ORDERED THIS 19th day of SEPTEMBER, 2008.


JULIE BENAFIELD BOWMAN
INSURANCE COMMISSIONER
STATE OF ARKANSAS