

BEFORE THE INSURANCE COMMISSIONER
FOR THE STATE OF ARKANSAS

IN THE MATTER OF
GWEN MOYO, AA COMMUNICATIONS, INC. &
AA RISK MANAGEMENT, INC.

A.I.D. NO. 2008-092

EMERGENCY CEASE AND DESIST ORDER & ORDER TO SHOW CAUSE

On this day the above matter of Gwen Moyo, AA Communications, Inc. and AA Risk Management, Inc. ("Respondents") came before Julie Benafield Bowman, Arkansas Insurance Commissioner ("Commissioner"). The Arkansas Insurance Department ("Department") was represented by Booth Rand, Chief Counsel. From the facts before the Commissioner, it is found:

1. The Commissioner has jurisdiction over this matter under Ark. Code Ann. § 23-65-101(a)(2)(A) which authorizes the Commissioner to issue a cease and desist order against persons, firms or companies conducting unauthorized insurance business in this State without first obtaining appropriate licensure with the Department.

2. Beginning on or about February of 2006, the Respondent Gwen Moyo, procured or helped procure performance and payment bonds for a building contractor, Templebloc, Inc ("Contractor"), P.O. Box 1598, Cleveland, Mississippi, 38732. According to the Department records, the Respondent Gwen Moyo purportedly issued the bonds under a surety designated on the bonds as First National Insurance Group ("FNIG"). The bonds were intended to provide surety coverage on the construction of a new worship center for Old St. Paul Missionary Baptist Church ("Church") in West Memphis, Arkansas.

According to records and statements gathered during an investigation by the Department, Respondent Gwen Moyo solicited and negotiated the above described surety bonds on the church project, and the Respondent AA Communications Inc., allegedly received payment or premium for the placement of the bonds. The surety bond issuer in the contracts was designated to be FNIG. FNIG is purportedly a Canadian company but does not maintain a license or certificate of authority to conduct surety business in the State of Arkansas.

Beginning on or about 2007, the construction project began to fail and demands were made on various parties related to responsibilities under the above described bonds. According to records and statements at the Department, FNIG claims that it never sanctioned or ratified the above described bonds issued in its name by Respondent Gwen Moyo. FNIG has stated that it did not knowingly accept, endorse, ratify or approve any of the above described bonds and did not knowingly deal with any person or entity regarding the bonding of the Old St. Paul's church project. FNIG has stated that it did not know that Respondent Gwen Moyo and others issued the bonds on the above described church construction project. The dispute and alleged liabilities under the bonds is currently involved in litigation.

3. At the time of the purported issuance of the above described bonds, the Respondent Gwen Moyo, did not have an insurance producer's license at the Department. In fact, the Respondent has never obtained a license from the Department to sell or transact surety business in the State of Arkansas. In Respondent Gwen Moyo's procurement of the above described bonds, Respondent Gwen Moyo was engaged in placing surety business in this State.

4. According to Department records, at various times, in the bonding placement process for the church project, the Respondent Gwen Moyo purportedly operated and conducted business under two (2) entities: AA Communications, Inc., and AA Risk Management, Inc. According to Department records, AA Communications, Inc. was organized under the laws of the State of Nevada as well as the State of Louisiana. The organizations have listed addresses in Nevada as well as Louisiana. The Louisiana address for its registered agent is 261 Oakmont Drive, New Orleans, Louisiana 70128, the same address identified by Respondent Gwen Moyo for notice in the above described bonds. Respondent Gwen Moyo is listed as a Director of AA Communications, Inc.

Neither AA Communications, Inc. nor AA Risk Management, Inc. have been issued licenses by the Department to transact insurance business in the State of Arkansas and therefore neither purported company is authorized to sell or transact any surety business in this state. According to Department records, on or about November 17, 2006, the Louisiana Insurance Department obtained a cease and desist order against Respondent Gwen Moyo and Respondent AA Communications, Inc., which prohibited those Respondents, among others, from transacting insurance in the State of Louisiana. The basis of the Order is that the Respondents did not hold a license with the State of Louisiana to transact insurance, or specifically hold themselves out as an insurance producer.

In light of the foregoing facts, a public emergency exists for an immediate cease and desist order on the activities of Respondents.

IT IS THEREFORE ORDERED AND ADJUDGED, as follows:

Pursuant to Ark. Code Ann. § 23-65-101(a)(2)(A), The Commissioner hereby orders :

1. The Respondents shall immediately cease and desist any and all activities involving the sale or transaction of insurance business in this State, pending an administrative hearing on this matter.

2. The Respondents are ordered to appear at an administrative proceeding at the Department to show cause why the Respondents should not be permanently prohibited from engaging in insurance activities or business in this State. The time and date of this final hearing, together with this Order, shall be mailed to the Respondents in a separate Notice of Public Hearing.

IT IS SO ORDERED THIS 17th day of December, 2008.


JULIE BENAFIELD BOWMAN
INSURANCE COMMISSIONER
STATE OF ARKANSAS