

BEFORE THE INSURANCE COMMISSIONER  
FOR THE STATE OF ARKANSAS

IN THE MATTER OF  
TAMMIE LAROSE FULLER  
LICENSE NO. 254192

A.I.D. NO. 2009- 033

EMERGENCY LICENSE SUSPENSION ORDER

On this day the emergency matter of Tammie Larose Fuller ("Respondent") came before Jay Bradford, 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 and/or order payment of penalties under Ark. Code Ann. § 23-64-216(e), § 23-64-512(a), and § 23-66-408.
2. Respondent is currently licensed in Arkansas as a resident life, casualty, property, surety, and marine insurance producer. Respondent holds Arkansas resident producer license number 254192 and has been licensed since April of 2003. Respondent's address of record at the Department is 1970 Rich Smith Lane, Apt. C4, Conway, AR 72032.
3. According to a complaint received by the Department, on or about June 13, 2007, Respondent worked at Complainant's On The Go insurance agency in Little Rock, Arkansas until they decided to open a branch office of On The Go Insurance in

Conway, Arkansas. Although Respondent worked under Complainant's name and tax I.D. as a sub-agent, she was the only person working in the Conway On The Go office and she was responsible for her own overhead, clients, commissions, and checking account.

4. Complainant alleged that consumers or policyholders would occasionally call Complainant at the Little Rock On the Go office for service on their policy or to make premium payments because Respondent's Conway office was at times closed during normal business hours.

5. Respondent's bank account was a "sweep account" which allows agents to upload payments received by consumers and alerts the insurance company that a payment has been received. Subsequently, the company sweeps the account for the premium payment(s).

6. Around February 2007, Complainant began receiving bank alerts that Respondent's account was overdrawn. Complainant had to deposit money into Respondent's account to cure the deficiencies. On April 24, 2007, the bank notified Complainant that the account would be closed due to extended periods of deficiencies and more sweeps were being made on the account than deposits made and required Complainant to bring the account current. On April 25, 2007, Complainant paid a total of \$1122.24 to bring the account current so the bank could close the account.

7. Complainant called Respondent on April 25, 2007, to inform her that the account was closed and Respondent should cease all activities and transactions for On the Go Insurance because she no longer had a sweep account. On April 27, 2007, a letter was mailed to all Conway branch On the Go clients informing them that the office

would be closed and directing payment inquiries to corporate office of their insurer listed on the individual policies.

8. It is alleged that Respondent continued to take premium payments and conduct business after receiving instructions to cease business for On the Go.

9. On April 30 and May 2, 2007, Vision Insurance Group received uploads of premium payments for \$332.90 posted to the consumer's account under Respondent's agency code. When Vision Insurance Group subsequently tried to sweep the account for the premium payment, they discovered the account was closed. Vision Insurance Group demanded payment from Complainant.

10. An investigation by the Department revealed that Respondent was using the agency bank account to pay personal bills. Reviews of bank statements appear to show more personal bills were paid than commissions deposited.

11. Respondent attended an investigative conference at the Department on February 10, 2009, wherein she was sworn in and all statements were made under oath. When asked about account deficiencies, Respondent admitted that she did not deposit premiums into the account in a timely manner. Respondent was asked about personal checks, debits, and withdrawals on the account and responded that she did not have checks or a debit card for the account. Respondent was specifically asked whether she wrote any checks for cash and again responded that she did not have any checks and only made deposits into the account. Reviews of bank statements and cancelled checks show that checks were written out of that account for cash, personal credit payments, office rent, etc. and signed by Respondent. The bank statements also

show that Respondent frequently made ATM withdrawals and used a Visa debit card for gas, groceries, fast food, cell phone bills, etc.

12. 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); Failing to cooperate in an investigation, in violation of Ark. Code Ann. § 23-64-512(a)(17); 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; and Failing to provide reasonable and professional service to each insured or prospective insured, in violation of Ark. Code Ann. § 23-66-307(a)(1);

13. At the upcoming hearing, the Department seeks administrative penalties and sanctions, up to and including restitution and revocation of the Arkansas insurance license of Respondent based on the above allegations.

**IT IS THEREFORE ORDERED AND ADJUDGED, as follows:**

1. Due to the gravity of the allegations and averments and pursuant to Ark. Code Ann. § 23-64-216(e), it is found that a public emergency exists and the public welfare imperatively requires emergency action of the immediate suspension of Respondent's insurance licenses.

2. Pursuant to Ark. Code Ann. § 23-64-216(e), any and all licenses issued by the Department, whether acquired by Respondent, Tammie Larose Fuller, 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.

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 2<sup>nd</sup> day of April, 2009.

  
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JAY BRADFORD  
INSURANCE COMMISSIONER  
STATE OF ARKANSAS