

**BEFORE THE INSURANCE COMMISSIONER  
FOR THE STATE OF ARKANSAS**

**IN THE MATTER OF  
NADING INSURANCE  
PRE-LICENSING SCHOOL  
AND ELVIN NADING**

**A.I.D. NO. 2009-043A**

**CONSENT ORDER**

On this day Jay Bradford, Arkansas Insurance Commissioner ("Commissioner"), and Elvin Kenneth Nading ("Respondent"), reached an agreement concerning the provider license issued to Respondent for Nading Insurance Pre-Licensing School ("Nading School") by the Arkansas Insurance Department ("Department"). The Commissioner was represented by Nina Samuel Carter, Associate Counsel. The Respondent voluntarily and intelligently waived his right to a hearing and consented to the entry of this Consent Order. The parties agreed as follows:

**FINDINGS OF FACT**

1. Respondent and his wife, Dale Elizabeth Nading, own and operate Nading Insurance Pre-Licensing School ("Nading School") an insurance pre-licensing education training school in Rogers, Arkansas. Nading School holds an active Arkansas insurance pre-licensing provider license, Provider ID #20 granted by the Insurance Commissioner for the State of Arkansas.

2. Respondent is currently licensed in Arkansas as a resident life and accident and health insurance producer, license number 40069. Respondent's last address of record at the Department is 9000 Summer Shade Road, Rogers, AR 72756.

3. A representative from the Department recently attended a Pre-Licensing training on Life and Accident, Health, and Sickness for Arkansas producers at Nading School taught by Respondent.

4. Department Rule 31 requires a minimum of twenty hours of classroom instruction including one hour on Ethics for each line. An applicant for additional lines of authority is exempt from the five (5) hours of state insurance laws and the one (1) hour for the additional line. Thus, training on Life and Accident, Health, and Sickness requires a minimum of thirty-four (34) hours of classroom instruction including one hour on Ethics.

5. The Department representative spent four (4) hours and ten (10) minutes in class on April 1, 2009. The total classroom time on April 2 was four (4) hours and twenty-five (25) minutes. Class ended on April 3 after three (3) hours and fifty-five (55) minutes with Respondent Elvin Nading stating that if the attendees showed up the next day that was great and if they did not show up that was okay also. On April 4, four (4) out of 19 students did not attend and by the end of that day, five (5) more students had left. Class on April 4 lasted about four (4) hours. Total class time for the whole course was 16 hours and 10 minutes.

6. On April 3, certificates for both Life and Accident, Health, and Sickness were passed out before the class had even concluded, providing that the date signed was "4-5-9". The Accident, Health and Sickness certificate certified that the attendee had received eight (8) hours of instruction on the 5<sup>th</sup> of April. There were no classes held on Sunday April 5. Both certificates also provide that one (1) hour of Ethics instruction was given, although it actually was not.

7. For the above actions, the Department avers that the failure to ensure adequate direct classroom instruction at the facility during scheduled classes is a

violation by the Respondent of Rule 31. The Department further avers that in addition to Respondent not ensuring adequate direct classroom instruction, providing certificates of completion attesting to the completion of more hours than the student actually completed is a deceptive and unfair practice of providing false information, in violation of Ark. Code Ann. § 23-66-205, § 23-66-206(6) and § 23-66-206 (7)(B).

8. The Arkansas Producer Licensing Model Act, codified at Ark. Code Ann. § 23-64-506(e)(2), requires that in order to maintain an insurance producer's license, a resident producer must be deemed by the Commissioner to be competent, trustworthy, financially responsible, and of good personal and business reputation. In light of the foregoing findings of fact, Respondent does not meet the statutory prerequisites.

#### CONCLUSIONS OF LAW

1. That the Commissioner has jurisdiction over the Respondent's and Nading School's alleged insurance activities, as well as over the subject matter herein pursuant to Ark. Code Ann. §§ 23-61-103(a) and § 23-66-205.

2. That Rule 31, Section 11, provides that Department approval of course providers of instruction may be withdrawn for violations of that Rule.

3. That Respondent has been made fully aware of his right to a hearing and has voluntarily and intelligently waived said right and consents to the entry of this Consent Order.

THEREFORE, in consideration of these Findings of Fact and Conclusions of Law, it is hereby ordered and agreed that:

A. The provider license for Respondent's pre-licensing school, Nading Insurance Pre-Licensing School, is hereby voluntarily surrendered and approval shall be withdrawn.

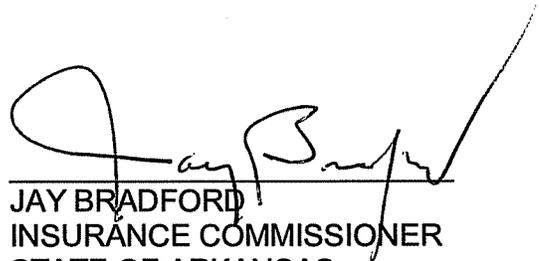
B. Respondent's resident Arkansas Insurance producer's licenses are hereby voluntarily surrendered for immediate revocation by the Department.

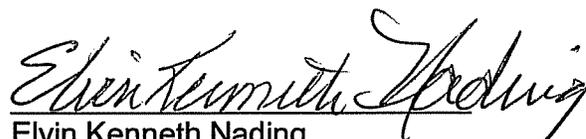
C. Pursuant to Ark. Code Ann. § 23-64-218(a)(1), Respondent shall immediately forward to the Insurance Commissioner all insurance producer and agency licenses.

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

E. Respondent shall no longer participate in the training of insurance agents or engage in the business of insurance in any capacity in Arkansas.

IS SO ORDERED this 10 day of September, 2009.

  
JAY BRADFORD  
INSURANCE COMMISSIONER  
STATE OF ARKANSAS

  
Elvin Kenneth Nading  
Nading Insurance Pre-Licensing School