

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

**IN THE MATTER OF
SUSAN ADELL KATES,
LICENSE NO. 191832**

A.I.D. NO. 2009- 068

CONSENT ORDER

On this day Jay Bradford, Arkansas Insurance Commissioner (“Commissioner”), and Susan Adell Kates (“Respondent”) reached an agreement concerning the resident insurance producer’s license issued to Respondent by the Arkansas Insurance Department (“Department”). The Commissioner was represented by Nina Samuel Carter, Associate Counsel. Respondent neither admits nor denies the Findings of Fact and Conclusions of Law as set forth below. Respondent was represented by Gene McKissic, of McKissic & Associates, and voluntarily and intelligently waived her right to a hearing and consented to the entry of this Consent Order. From the facts and law before him, the Commissioner finds as follows:

FINDINGS OF FACT

1. Respondent is licensed in Arkansas as a resident accident, health and sickness, casualty, farm mutual aid, life, marine, property, and surety insurance producer, license number 191832. Respondent’s last address of record at the Department is 114 Joker Place, Hot Springs, AR 71913.

2. According to a complaint received by the Department in November 2008, until recently Respondent was the only licensed insurance producer at the Hot Springs branch Hood and Company Insurance (“Agency”) and routinely let unlicensed Agency staff

members sell and sign Respondent's name to policies. It was further alleged in the complaint that Respondent was seldom in the office to supervise office staff members.

3. An investigation by the Department confirmed that applications at the Agency all had Respondent's signature as agent, but had initials that were not Respondent's. Further, it was apparent that some of the signatures were not actual signatures of Respondent as the handwriting differed.

4. For the above actions, the Department alleges that Respondent is in violation of the Insurance Code for: Permitting any person not properly licensed to solicit, sell, negotiate, or engage in the business of insurance on behalf of the insurance producer, in violation of Ark. Code Ann. § 23-64-201(a); Violating any insurance laws or violating any regulation, in violation of Ark. Code Ann. § 23-64-512(a)(2); 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); Knowingly accepting insurance business from an individual who is not licensed, in violation of Ark. Code Ann. § 23-64-512(a)(12); and Engaging in an unfair method of competition or deceptive act or practice in the business of insurance, in violation of Ark. Code Ann. § 23-66-205.

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

CONCLUSIONS OF LAW

1. That the Commissioner has jurisdiction over the parties and over the subject matter herein pursuant to Ark. Code Ann. § 23-61-103.

2. That pursuant to Ark. Code Ann. § 23-64-216, the Commissioner may place in probationary status any license issued by him if it is found that any one (1) or more violations of the causes listed under § 23-64-512 exist.

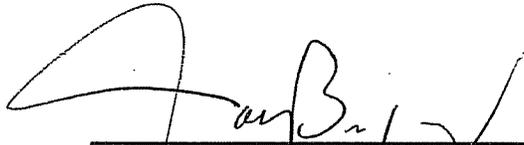
THEREFORE, in consideration of these Findings of Fact and Conclusions of Law, it is hereby ordered and agreed that:

A. Respondent's resident Arkansas insurance producer's license(s) is placed in probationary status for two years from the date of this Order.

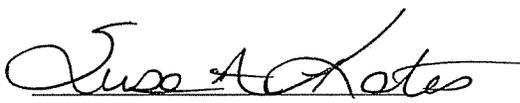
B. Respondent is advised that probationary status means that the imposition of additional insurance license sanctions that the Commissioner may impose by law or by informed consent upon her is suspended contingent upon her compliance and good conduct during this probationary period. *See* Ark. Code Ann. §§ 23-64-216 and 23-64-512.

C. If Respondent violates the terms of this probation or any provision of the Insurance Code during the probation period, Respondent's license will be suspended and a revocation hearing will immediately be set and will result in statutorily imposed sanctions. *See* Ark. Code Ann. §§ 23-64-216 and 23-64-512.

IT IS SO ORDERED THIS 2nd day of September, 2009.



JAY BRADFORD
INSURANCE COMMISSIONER
STATE OF ARKANSAS



Susan A. Kates