

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

**ARKANSAS INSURANCE DEPARTMENT,**     )  
**Petitioner**                                     )  
   )  
**vs.**   )  
   )  
**FREDDIE MELVIN RATLIFF**                     )  
**Respondent**                                     )

A.I.D. NO. 2015- 029

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**REVOCATION ORDER**

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On this day, the matter of Freddie Melvin Ratliff (“Respondent”) came before Allen Kerr, Arkansas Insurance Commissioner (“Commissioner”). The Arkansas Insurance Department (“Department”) is represented by Amanda Capps Rose, Associate Counsel, in this matter. From the facts and law before him, the Commissioner finds as follows:

**FINDINGS OF FACT**

1. Respondent holds an Arkansas Resident Producer License, National Producer Number 10366853. Respondent resides in Little Rock, Arkansas.
2. On or about July 18, 2014, the Department received notification from Farmers Insurance Group (“Farmers”) that the Respondent’s appointments had been terminated for cause. Farmers’ correspondence stated that the Respondent had been paying consumer’s life insurance premiums for them.
3. The Legal Division reviewed the Investigation Report and other information received from Farmers, which noted that at least one consumer was told by the Respondent that the first year of premium was free and contained information indicating that he was paying the first year of premium for others. The Legal Division’s review of the information also revealed

differences in policyholder signatures between their applications and their automatic withdrawal authorizations.

4. On September 24, 2014, a Notice of Investigative Conference was mailed to the Respondent via certified mail scheduling a conference with the Respondent on October 16, 2014. The correspondence was received and the mail receipt was returned to the Department on September 29, 2014.

5. Respondent failed to appear at the Notice of Investigative Conference on October 16, 2014.

6. Respondent's Arkansas Resident Producer License was suspended effective January 20, 2015, pursuant to A.I.D. Order No. 2015-009.

7. A hearing was conducted at the Department on March 25, 2015 with Lenita Blasingame, Chief Deputy Commissioner, presiding as hearing officer.

8. Farmers' Investigation Report states that seventy-nine thousand, eight hundred sixteen dollars (\$79,816) in life insurance commissions and bonuses was paid to the Respondent for policies that the prospective insurers never intended to purchase. After a deduction from the Respondent's folio account, the remaining balance owed by the Respondent is fifty-nine thousand, six hundred fifty-seven dollars (\$59,657).

9. Respondent testified at the administrative hearing that he had received notice from a collection agency regarding the amount owed to Farmers and that he did not have plans to pay the outstanding balance.

#### **CONCLUSIONS OF LAW**

From the Findings of Fact contained herein, the Commissioner concludes as follows:

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

2. Pursuant to the Arkansas Insurance Code, the Commissioner may suspend or revoke an insurance producer's license based on any of the following grounds:

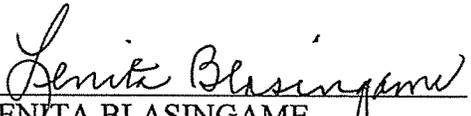
- (a) Intentionally misrepresenting the terms of an insurance contract or application for insurance;
- (b) Using fraudulent or dishonest practices;
- (c) Forging another's name on any document related to an insurance transaction; or
- (d) Failure to cooperate with an investigation when required by the Commissioner.

See Ark. Code Ann. § 23-64-512(a)(5), (8), (10) and (17).

**RECOMMENDATIONS OF THE HEARING OFFICER**

WHEREFORE, based upon the foregoing Findings of Fact, Conclusions of Law, and other matters before her, the Hearing Officer recommends:

- 1. That the Respondent's Arkansas Resident Producer License, National Producer Number 10366853 be revoked; and
- 2. That this Revocation Order supersede A.I.D. Order No. 2015-009.

  
LENITA BLASINGAME,  
CHIEF DEPUTY COMMISSIONER and  
HEARING OFFICER

**CERTIFICATION**

I, Allen Kerr, Insurance Commissioner for the State of Arkansas, do hereby certify that the above Findings of Fact, Conclusions of Law, and Recommendations of the Hearing Officer were made by and under my authority and supervision by Lenita Blasingame, Chief Deputy Commissioner and Hearing Officer in this proceeding. I hereby adopt the Hearing Officer's Findings of Fact, Conclusions of Law, and Recommendations in full and enter this Order.

THEREFORE, it is hereby ORDERED that Respondent's Arkansas Resident Producer License, National Producer Number 10366853, is hereby revoked and that this Revocation Order shall supersede A.I.D. No. 2015-009.

ORDERED ON THIS 7<sup>th</sup> DAY OF APRIL, 2015.



**ALLEN KERR**  
**INSURANCE COMMISSIONER**  
**STATE OF ARKANSAS**