

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

**ARKANSAS INSURANCE DEPARTMENT)
PETITIONER)
vs.)
CSI PEO, INC,)
RESPONDENT)**

A.I.D. NO. 2016- 017

CONSENT ORDER

On this day, the matter of CSI PEO, Inc., (“Respondent”) came before Allen Kerr, Arkansas Insurance Commissioner (“Commissioner”). The Arkansas Insurance Department (“Department”) is represented by Associate Counsel, Gray Allen Turner. The Respondent is represented by its attorney, Chris Franz.

GENERAL STIPULATIONS

1. It is expressly understood that this Consent Order is subject to the Commissioner's acceptance and has no force of effect until such acceptance is evidenced by the signature and entry of the Order by the Commissioner.
2. This Consent Order is executed by the Respondent for the purpose of avoiding further administrative action with respect to this cause. Furthermore, should this Consent Order not be accepted by the Commissioner, it is agreed that presentation to and consideration of this Consent Order by the Commissioner shall not unfairly or illegally prejudice the Commissioner from further participation or resolution of this matter or any administrative proceedings.

3. The parties understand and agree that this Consent Order applies only to the matters and things set forth in the Findings of Fact and matters and things related thereto.

4. After consultation with legal counsel, the Respondent, without admitting or denying the findings or staff allegations contained herein, expressly waives all further procedural steps, and expressly waives all right to a formal hearing, to seek judicial review of or to otherwise challenge the validity of the Consent Order, the stipulations and imposition of discipline contained herein, and entry of said Consent Order by the Commissioner.

FINDINGS OF FACT

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

2. CSI PEO, Inc. is an incorporated professional employer organization operating in Arkansas.

3. CSI PEO, Inc. License Number E9424 was issued a certificate of registration to operate in Arkansas on May 7, 2013.

4. CSI PEO, Inc. failed to renew its professional employer organization license by May 7, 2015. On July 16, 2015, the Arkansas Insurance Department informed the company that its license was void and that it may be subject to penalties if it continued to operate in Arkansas without a license. On July 22, 2015, Respondent's license had not been renewed for over thirty days from the renewal date and was therefore void per Ark. Code Ann. § 23-92-404(d)(3).

5. As of September 2, 2015, Respondent still had two clients operating in Arkansas with at least twenty employees.

CONCLUSIONS OF LAW

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

1. By continuing to operate a professional service organization without a valid license, Respondent has violated Ark. Code Ann. § 23-92-404.
2. Based on the foregoing, the Commissioner concludes that the Respondent shall:
 - a. No longer operate a professional employer service organization in Arkansas unless and until a new license application is submitted and approved by the Arkansas Insurance Department.
 - b. Pay an administrative penalty in the amount of \$5,000 to the Arkansas Insurance Department within ninety days of the entry of this order.

ORDER

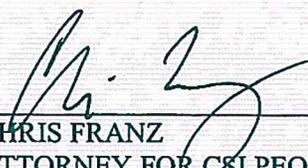
Now therefore, on the basis of the foregoing and the waiver by the Respondent of its right to a hearing and appeal under the Arkansas Administrative Procedures Act, Ark. Code Ann. §§ 25-15-201, et seq., and the admission by the Respondent of the jurisdiction of the Commissioner, the Commissioner finds that the Respondent has consented to the entry of this Order and that the following Order is appropriate and in the public interest.

IT IS THEREFORE ORDERED THAT:

1. Respondent's professional employment license shall be, and hereby is, void. Respondent shall not provide professional employer services in Arkansas until a new license is granted by the Arkansas Insurance Department.
2. Respondent shall pay an administrative penalty in the amount of \$5,000 to the Arkansas Insurance Department within ninety days of the entry of this order.

3. This Consent Order is in the public interest, is in the best interests of the parties hereto, and represents a compromise and settlement of the controversy between the parties and is for settlement purposes only. By the signature of the company representative affixed below, the Respondent affirmatively states that the Respondent has freely agreed to the entry of this Consent Order, that it waives any rights to a hearing on the matters underlying this Consent Order, and that no threats or promises of any kind have been made by the Commissioner, the Department, or any agent or representative thereof. The parties, by signing this Consent Order, affirmatively state their agreement to be bound by the terms of this Consent Order and aver that no promises or offers relating to the circumstances described herein other than the terms of settlement set forth in this Consent Order, are binding upon them.

IT IS SO ORDERED this 2nd day of March, 2016.


CHRIS FRANZ
ATTORNEY FOR CSI PEO, INC.
RESPONDENT


ALLEN KERR
INSURANCE COMMISSIONER
STATE OF ARKANSAS