

Arkansas Insurance Department

Mike Beebe
Governor



Jay Bradford
Commissioner

April 18, 2012

Via Certified Mail Return Receipt 7009 1680 0002 2604 0214 & U.S. Mail

Gradie Ramey
2800 Grand Avenue
Fort Smith, AR 72901

LETTER OF REPRIMAND

Dear Mr. Ramey:

As we discussed in your April 3, 2012 Investigative Conference, the Department received an anonymous complaint regarding improper activity in your agency, Tip's Neighborhood Insurance. The complaint alleged that employees of Tip's Neighborhood Insurance sell without a license. Departmental investigation uncovered inappropriate fees and what appeared to be employees selling without a license on the date Tip's Neighborhood Insurance was visited by Department representatives, July 26, 2011, with the exception of Wilma James, License No. 355867.

The Department is aware of changes taking place at Tip's Neighborhood Insurance. We understand that many of the employees have been replaced. Also, during the Investigative Conference you represented to the Department that you oversee these changes and ensure that you, your employees, and Tip's Neighborhood Insurance are in compliance with Arkansas law.

Your lack of Insurance Regulatory knowledge is of grave concern to the Department. While we are confident that your agency has undergone the necessary changes to comply with Arkansas law and understand that you have learned a lot about what is required of you as a licensed agent, we are concerned because you allowed this inappropriate activity to commence. As a licensed agent in the state of Arkansas, you are required to be competent in your knowledge of the law and proof of your competency may be required by the Commissioner. A.C.A. §23-64-202(a)(2)(C)(i)(ii). Furthermore, as you are now aware, the fees charged by you and Tip's Neighborhood Insurance were in breach of Arkansas Law. You may review the fee requirements at A.C.A. §23-66-310, or on our website at www.insurance.arkansas.gov/License/F_A_Q.htm. Finally, as the owner and registered agent of Tip's Neighborhood Insurance, you are ultimately responsible for activity conducted within that agency. It is up to you to ensure that business practices and employees of Tip's Neighborhood Insurance comply with Arkansas law.

In view of the foregoing facts, please be advised that this Letter of Reprimand will be placed in your license file as a permanent record for referral should any other related complaints be received by this Department. Additionally, this Letter of Reprimand will be forwarded to the

National Association of Insurance Commissioners (“NAIC”) for publication on the NAIC website. We have closed your complaint file.

Sincerely yours,

A handwritten signature in black ink, appearing to read 'Ava Franks', written in a cursive style.

Ava Franks
Associate Counsel

cc: Mark Ford, Attorney for Mr. Ramey
Taryn Lewis
Fred Stiffler
LoRraine Rowland