

BEFORE THE ARKANSAS INSURANCE DEPARTMENT

ARKANSAS INSURANCE DEPARTMENT

PETITIONER

v.

Case No. 157900

**ELIZABETH ALLISON
NPN 8933212**

RESPONDENT

A.I.D. ORDER NO. 2024- 45

CONSENT ORDER

Now on this day before Alan McClain, the Insurance Commissioner for the State of Arkansas (Commissioner) came Elizabeth Allison, (Respondent), who has reached an agreement concerning the resident insurance producer license issued to her by the Arkansas Insurance Department (Department). The Commissioner is represented by Booth Rand, General Counsel of the Department. Respondent voluntarily waived her right to a hearing, and consents to the entry of this Consent Order. From the facts and law before the Commissioner, he finds as follows:

GENERAL STIPULATIONS

1. It is expressly understood that this Consent Order is subject to the Commissioner's acceptance and has no force or effect until such acceptance is evidenced by the entry of the Commissioner.
2. This Consent Order is executed for the purpose of avoiding further administrative time, expense, and action with respect to this cause.
3. Respondent fully understands that this Consent Order will in no way preclude additional proceedings by the Commissioner against her for acts or omissions not specifically addressed in

this Order or for facts and omissions that do not arise from the facts or transactions herein addressed.

4. Having the right to consult with legal counsel, Respondent expressly waives all further procedural steps, and expressly waives all rights to seek judicial review of, or to otherwise challenge or contest the validity of this Consent Order, the stipulations and imposition of discipline contained herein, and the consideration and entry of said Order by the Commissioner. This Order is executed in the public interest, in the best interests of the parties hereto, and it represents a compromise and settlement of the controversy between the parties. This Order is for settlement purposes only.

5. By her signature affixed below, Respondent affirmatively states she has freely agreed to the entry of this Consent Order, that she has been advised that she may consult with legal counsel and has had the opportunity to consult with legal counsel, that she waives her right 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.

6. The parties, by executing this Consent Order, affirmatively state their agreement to be bound by the terms of this Order and aver that no promises or offers relating to the circumstances described herein have been made, other than the terms of settlement set forth in this Order, are binding upon them.

7. Respondent acknowledges that the purpose of this Consent Order is to place her insurance producer license on probation for one (1) year, and to require additional continuing education.

FINDINGS OF FACT

1. Respondent Elizabeth Allison holds an Arkansas resident insurance producer license, National Producer Number 8933212, and she is a resident of Pulaski County.

2. Respondent inherited a vacation home on Lake Hamilton that is or was being renovated the costs of which were funded by a five (5) year, \$35,000.00 personal consumer loan, secured by lake adjacent property worth approximately \$635,000.00.
3. One of the conditions of the loan is that flood insurance be carried on the property during the term of the loan.
4. On November 28, 2023, the Department received a complaint from another agent who works at the agency which formerly employed Respondent.
5. The substance of the complaint was that Respondent, in response to the bank's call requesting proof of flood insurance coverage, sent altered declaration pages purporting to show proof of current, active flood coverage.
6. On January 11, 2023, and in response to the mortgage company's request for an updated declaration page, Respondent sent the mortgage company a declaration page purporting to show active flood insurance coverage from November 25, 2022 through November 25, 2023. This declaration page was false and inaccurate, as there was no active flood insurance in place during this time.
7. Prior to that, Respondent produced another declaration page on November 29, 2021, purportedly showing active flood insurance coverage from November 25, 2021 through November 25, 2022. This declaration page was false and inaccurate, as there was no active flood insurance in place during this time.
8. The flood insurance coverage expired on November 25, 2021.
9. Respondent admitted, under oath, that she forgot to renew the bank required flood insurance coverage, and as a result, she decided to take the legitimate declaration page issued in 2020, and, with the intention to renew the flood insurance policy as soon as possible, alter it in

such a way that it appeared to be a legitimate declaration page showing coverage for the subsequent two (2) years.

10. Respondent now has procured current, active flood insurance coverage on the subject property pursuant to the loan conditions.

CONCLUSIONS OF LAW

1. Ark. Code Ann. § 23-60-101, *et. seq.*, assigns the responsibility for administration of the Arkansas Insurance Code to the Arkansas Insurance Commissioner. The Department is the lawful agency through which the Commissioner administers the Arkansas Insurance Code, and he is authorized to bring this action for the protection of Arkansas consumers.

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

3. The Arkansas Producer Licensing Model Act, codified at Ark. Code Ann. § 23-64-501 *et. seq.*, governs Respondent's insurance producer license.

4. Ark. Code Ann. § 23-64-512(a)(8) authorizes the Commissioner to suspend or revoke any license for a number of reasons, specifically in this case: "(8)...using dishonest practices in the conduct of business in this state or elsewhere."

5. Respondent's conduct in producing the false or inaccurate declaration pages when she forgot to renew the coverage, as described in Findings of Fact 6, 7, and 8, is in violation of Ark. Code Ann. § 23-64-512(a)(8) as a dishonest practice.

6. The Commissioner hereby concludes that the facts set forth in the Findings of Fact, above, provide grounds for the issuance of this Order.

ORDER

NOW THEREFORE, on the basis of the foregoing, as well as the Respondent's waiver of her right to a hearing and appeal under the Arkansas Administrative Procedure Act, Ark. Code Ann. §§ 25-15-201 *et. seq.*, and the Respondent's admission of the Commissioner's jurisdiction herein, the Commissioner finds the Respondent has consented to entry of this Order and that this Order is appropriate and in the public interest.

IT IS HEREBY ORDERED that Respondent Elizabeth Allison's insurance producer license is on probation for one (1) year from the date of Commissioner's signature on this order. Respondent is further ordered to complete twelve (12) hours of continuing education, in addition to the required number of hours. The additional twelve (12) hours shall be completed within one (1) year from the date of the Commissioner's signature on this order.

IT IS SO ORDERED, DIRECTED AND AGREED TO AS OF THE 17th DAY OF May, 2024.



**ALAN MCCLAIN
INSURANCE COMMISSIONER
STATE OF ARKANSAS**



**ELIZABETH ALLISON
NPN 8933212**