

BEFORE THE ARKANSAS INSURANCE DEPARTMENT

ARKANSAS INSURANCE DEPARTMENT

PETITIONER

v.

Case No. 158081

**ENRICO SHERMAN
NPN 19165516, and
THE SHERMAN AGENCY**

RESPONDENTS

AID ORDER NO. 2024-

CEASE AND DESIST ORDER

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Now on this day the matter of Arkansas Insurance Department v. Enrico Sherman, NPN 19165516 and the Sherman Agency (“Respondents”) is taken under consideration by Alan McClain, Insurance Commissioner for the State of Arkansas (“Commissioner”), with the Arkansas Insurance Department appearing through Amanda Gibson, Managing Attorney. From the facts, matters and other items before him, the Commissioner finds and concludes as follows:

FINDINGS OF FACT

1. The Commissioner has jurisdiction over the parties and of the subject matter pursuant to Ark. Code Ann. §§ 23-61-103 and 23-64-512(e).
2. Respondents do business in Pulaski County.
3. The individual Respondent, Enrico Sherman, is a licensed insurance agent.
4. Specifically, Respondent Sherman holds a limited lines funeral expense license.
5. Respondents are holding out the agency as a licensed agency through which they purport to transact the business of insurance.
6. Respondent Sherman stated under oath that the agency has been in operation for five years.

7. During the course of the investigation of the above styled matter, the Department told Respondent Sherman to obtain the agency license by July 17, 2024. Respondent failed to do so.

CONCLUSIONS OF LAW

1. The Commissioner, as authorized by Ark. Code Ann. § 23-61-103(f)(1)(A), may summarily order a person or entity to cease and desist from an act or practice if there is a reason to believe that a person or entity has engaged in or is about to engage in any act or practice constituting a violation of an insurance law, rule, or order of this state.

2. Ark. Code Ann. § 23-64-502(12) defines “person” as “an individual or a business entity”.

3. Ark. Code Ann. § 23-64-503 provides, “A person shall not sell, solicit, or negotiate insurance in this state for any class or classes of insurance unless the person is licensed for that line of authority in accordance with this subchapter.”

4. Ark. Code Ann. § 23-64-503(b) provides, “A business entity acting as an insurance producer is required to obtain an insurance producer license...”

5. Respondents Enrico Sherman and the Sherman Agency, in holding out the agency as a licensed insurance agency, when not so licensed, are in violation of Ark. Code Ann. § 23-64-503(b).

ORDER


IT IS THEREFORE ORDERED AS FOLLOWS:

1. Pursuant to Ark. Code Ann. § 23-61-103(f)(1)(A), Respondents are hereby ordered to immediately cease and desist from the conduct of the sale, solicitation, or consulting of insurance in this state, for such time as the Sherman Agency is not licensed.

2. Respondents are given notice that a hearing has been scheduled in this matter on September 26, 2024 at 10:00 a.m.

A Notice of Public Hearing is being served simultaneously with this Order. Respondents should refer to that notice for the specific charges made against them.

IT IS SO ORDERED THIS 26th DAY OF AUGUST, 2024.



ALAN MCCLAIN
INSURANCE COMMISSIONER
STATE OF ARKANSAS