

BEFORE THE ARKANSAS INSURANCE DEPARTMENT

ARKANSAS INSURANCE DEPARTMENT

PETITIONER

v.

Case No. 155573

**KEVIN WAYNE JOHNSON
NPN 1666486**

RESPONDENT

A.I.D. ORDER NO. 2024- 80

CONSENT ORDER

On this day, the matter of Kevin Wayne Johnson (“Respondent”) came before Alan McClain, Arkansas Insurance Commissioner (“Commissioner”). Respondent has reached an agreement regarding the resident insurance producer license issued to him by the Arkansas Insurance Department (“Department”). The Commissioner is represented by Amanda Capps Rose, Associate Counsel, in this matter. From the facts and law before him, the Commissioner 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 signature of the Commissioner.

2. This Consent Order is executed for the purpose of avoiding further administrative time, expense, and action with respect to this matter.

3. Respondent fully understands that this Consent Order will in no way preclude additional proceedings by the Commissioner against him for acts or omissions not specifically addressed in this Consent Order or for facts or omissions that do not arise from the facts or transactions addressed herein.

4. Having the right to consult with legal counsel, the 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 Consent Order by the Commissioner. This Consent 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 Consent Order is for settlement purposes only.

5. By his signature affixed below, the Respondent affirmatively states that he has freely agreed to the entry of this Consent Order, that he has been advised that he may consult with legal counsel and has had the opportunity to consult with legal counsel, that he waives his right to a hearing on the matters presented in 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 Consent 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 herein, are binding upon them.

7. Respondent acknowledges that the purpose of this Consent Order is to place his insurance producer license on probation for three (3) years and to require payment of a fine as set forth herein.

FINDINGS OF FACT

1. Respondent holds an Arkansas resident insurance producer license, National Producer Number 1666486.

2. On July 28, 2022, May Kay Brock filed a consumer complaint against the Respondent alleging misrepresentation and a failure to provide acceptable service regarding an automobile policy. Respondent failed to timely respond to the Department's request for a response to this consumer's complaint.

3. On May 24, 2023, Ana Williams filed a consumer complaint against the Respondent alleging failure to properly service her policy, failure to communicate with her, and a failure to follow through with her requests to cancel a builder's risk policy.

4. On May 25, 2023, the Department sent correspondence to the Respondent requesting a response to Ms. Williams complaint no later than June 25, 2023. Respondent did not respond to the Department until July 12, 2023. The Department attempted to contact the Respondent prior to receipt of his response but was unable to reach him.

5. On July 13, 2023, the Consumer Services Division referred Ms. Williams' complaint against the Respondent to the Legal Division.

6. The Legal Division scheduled an investigative conference with the Respondent on November 8, 2023, a notice of which was sent to the Respondent via certified mail. Respondent signed for the certified mail, and the Legal Division investigators made the necessary preparations for the investigative conference.

7. Respondent failed to appear at the November 8, 2023, investigative conference without providing prior notice that he would not be present. The investigative conference was rescheduled and held on November 29, 2023, during which the Respondent admitted to a failure to maintain proper policyholder files due to a lack of assistance.

8. Following the November 29, 2023, investigative conference, the Department learned of multiple bankruptcy filings made by the Respondent between 2018 and 2023, none of which were reported on his license renewals with the Department.

9. On December 6, 2023, the Department sent correspondence to the Respondent requesting a statement regarding why his bankruptcy filings were not disclosed. Respondent failed to provide any information in response, and second request was sent on January 16, 2024.

10. Respondent failed to provide a satisfactory response regarding the reason his bankruptcy filings were not disclosed.

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. The Arkansas Insurance Code provides that an insurance producer's license may be placed on probation for any of the following:

- a. Demonstrating incompetence, untrustworthiness, or a lack of good personal or business reputation;
- b. Failing to provide a written response after receipt of a written inquiry from the Commissioner or his representative within thirty (30) days after receipt; and
- c. Failing to cooperate with the Commissioner in an investigation when required.

Ark. Code Ann. § 23-64-512(a)(8), (13) and (17).

3. Based upon the Findings of Fact set forth herein, the Respondent has violated Ark. Code Ann. § 23-64-512, which allows the Commissioner to place an insurance producer's license on probation.

4. Additionally, pursuant to Ark. Code Ann. § 23-64-512(a), the Commissioner may levy a civil penalty against the Respondent in accordance with Ark. Code Ann. 23-64-216 for the violations listed herein.

ORDER

NOW THEREFORE, based upon the foregoing, the Respondent's waiver of his right to a hearing and appeal under the Arkansas Administrative Procedure Act, Ark. Code Ann. §§ 25-15-201, *et seq.*, and the Respondent's acknowledgement of the Commissioner's jurisdiction over this matter, the Commissioner finds that the Respondent has consented to entry of this Consent Order and that it is appropriate and in the public interest.

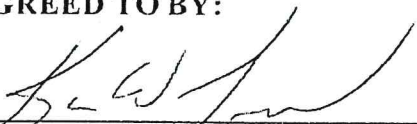
IT IS HEREBY ORDERED that the Respondent, Kevin Wayne Johnson, shall pay an administrative penalty in the amount of one thousand dollars (\$1000) pursuant to a payment plan agreed to by the Commissioner and that the Respondent's Arkansas resident insurance producer license shall be placed on probation for a period of three (3) years from the date of entry of this Consent Order.

IT IS SO ORDERED ON THIS 21st DAY OF August, 2024.



ALAN McCLAIN
INSURANCE COMMISSIONER
STATE OF ARKANSAS

AGREED TO BY:



KEVIN WAYNE JOHNSON
RESPONDENT
NPN 1666486