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ARKANSAS SECURITIES DEPT.

BEFORE THE ARKANSAS SECURITIES COMMISSIONER
CASE NO. C-14-0096
ORDER NO. C-14-0096-14-OR01

IN THE MATTER OF:
FNC INSURANCE AGENCY, INC.

RESPONDENT

ORDER APPROVING LICENSURE AND SETTLEMENT AGREEMENT

This Order Approving Licensure and Settlement Agreement is entered pursuant to the Arkansas Money Services Act ("Act"), Ark. Code Ann. §§ 23-55-101 through 23-55-1006, the Arkansas Money Services Rules ("Rules"), and the Arkansas Administrative Procedures Act, Ark. Code Ann. §§ 25-15-101 through 25-15-219, in accordance with an agreement between the Staff of the Arkansas Securities Department ("Staff") and the Respondent, FNC Insurance Agency, Inc. ("FNCIA") in full and final settlement of all claims that could be brought against FNCIA by the Staff on the basis of the facts set forth herein.

By signing below, FNCIA admits that jurisdiction of the Act and the Arkansas Securities Commissioner ("Commissioner") are proper, waives its right to a formal hearing and appeal, and, without admitting or denying the Findings of Fact Conclusions of Law herein, agrees to the entry of this Order and agrees to abide by its terms.

FINDINGS OF FACT

1. FNCIA is a corporation organized under the laws of California, with its principal office located in Hagerstown, Maryland. FNCIA is not currently licensed or approved under the Act in any capacity.
2. FNCIA holds itself out to the public as a residential mortgage loan payment program servicer that provides services throughout the United States. FNCIA offers its customers a program wherein FNCIA drafts money from its customers' bank accounts and remits those payments to its customers' mortgage holders allowing its customers to make an additional mortgage payment annually.

3. FNCIA has engaged in the business of money transmission in Arkansas without a license under the Act from 2008 through the date of this Order.

4. From 2008 through October 14, 2014, FNCIA has transmitted approximately \$92,264,729.00 worth of payments for residents of the State of Arkansas while earning approximately \$585,180.00 in fees.

5. FNCIA has fully cooperated with the Staff during the Staff's investigation of this matter. Furthermore, the Staff has not received any complaints from Arkansas customers who have done business with FNCIA.

6. FNCIA has informed the Staff that it desires to transact business in Arkansas and, to that end, has applied for licensure pursuant to the Act. It is Staff's recommendation, with the resolution of this matter through the entry of this order, payment of the civil penalty, and upon complying with the Act's requirements for licensure that the license application for FNCIA be immediately approved.

CONCLUSIONS OF LAW

7. Pursuant to Ark. Code Ann. §§ 23-55-101 through 23-55-1006, the Commissioner has jurisdiction over FNCIA and the subject matter of this proceeding.

8. Ark. Code Ann. § 23-55-804 permits the informal disposition of an allegation through the entry of this order.

9. Ark. Code Ann. § 23-55-201 states that a person may not engage in the business of money transmission or advertise, solicit, or hold itself out as providing money transmission unless the person is licensed under this article, is an authorized delegate of a person licensed under this article or is excluded under Ark. Code Ann. § 23-55-103. As alleged hereinabove, the failure by FNCIA to obtain a license in Arkansas prior to engaging in the business of money transmission or advertising, soliciting, or holding itself out as providing money transmission in Arkansas constitutes violations of Ark. Code Ann. § 23-55-201.

10. Ark. Code Ann. §§ 23-55-202 through 23-55-207 set forth the requirements that must be met when applying for a license to engage in the business of money transmission.

11. Pursuant to Ark. Code Ann. § 23-55-805, the Commissioner has the authority to assess a civil penalty against a person that violates the Act in an amount not to exceed \$1,000.00 per day for each day the violation is outstanding. The violations by FNCIA support an assessment of a civil penalty against FNCIA by the Commissioner.

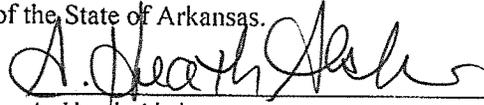
ORDER

By agreement with the Staff and the authorized representative of FNCIA, it is hereby ordered that FNCIA shall pay \$248,300.00 to the Arkansas Securities Department. The payment shall be made by money order or cashier's check payable to the Arkansas Securities Department, and tendered with the submission of this Order. Having met the Act's requirements for licensure, FNCIA's application for license to engage in the business of money transmission is hereby approved.

Further, this Order Approving Licensure and Settlement Agreement is not intended by the Commissioner to subject FNCIA to any disqualifications under the laws, rules or regulations of the United States, any other state, any other administrative agency or any other self-regulatory body. This Order Approving Licensure and Settlement Agreement is not intended by the Commissioner to disqualify FNCIA from any business that they otherwise are qualified, licensed or permitted to

perform under applicable laws, rules or regulations of the State of Arkansas.

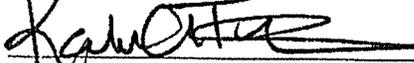
IT IS SO ORDERED.



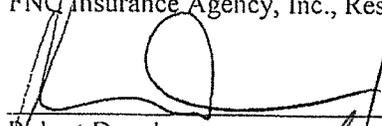
A. Heath Abshire
Arkansas Securities Commissioner

01/05/2015
Date

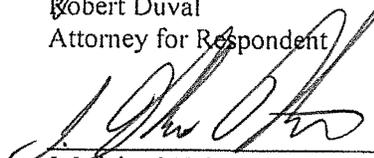
Approved as to Content and Form:


Kathleen A. Timken, Vice President
FNC Insurance Agency, Inc., Respondent

10/30/2014
Date


Robert Duval
Attorney for Respondent

10/30/14
Date


J. Michael Helms, Staff Attorney
Arkansas Securities Department

11/13/14
Date