

**STATE OF MISSISSIPPI
OFFICE OF THE COMMISSIONER OF INSURANCE**

**IN THE MATTER OF SAMUEL WILLIAMS,
INSURANCE PRODUCER LICENSE. #10063964**

FINDINGS AND ORDER

THIS CAUSE came on for hearing before the Commissioner of Insurance of the State of Mississippi (hereinafter “Commissioner”), by and through his specially designated appointee (hereinafter “Hearing Officer”), in the Office of the Commissioner, 10th Floor, Woolfolk State Office Building, 501 North West Street, Jackson, MS 39205, on Friday, February 13, 2015, at 10:00 a.m., pursuant to a Notice of Hearing and Statement of Charges served on Samuel Williams, License #10063964 (Respondent). The Commissioner, by and through the designated Hearing Officer, Ms. Christina Kelsey, having heard and considered all of the testimony and evidence produced by the parties herein, makes the following findings:

AUTHORITY

The hearing was held pursuant to the provisions of Miss. Code Ann. § 83-17-71, *et seq.* (Rev. 2011), providing for the licensing of insurance producers by the Mississippi Insurance Department (MID) and disciplinary actions against producers.

NOTICE AND HEARING

1. The Notice of Hearing and Statement of Charges was personally served upon Respondent on January 22, 2015 pursuant to Miss. Code Ann. § 83-17-71 (Rev. 2011). (Exhibit S-4)
2. Respondent was advised in the “Notice of Hearing and Statement of Charges” of his right to be accompanied and represented by legal counsel, to cross-examine any witnesses, to present

evidence or testimony on his behalf, to have witnesses subpoenaed in order to give testimony and evidence on his behalf and to testify in his own behalf.

3. Pursuant to said notice a hearing was held at approximately 10:00 a.m. on February 13, 2015.
4. Respondent was present for the hearing, gave testimony and submitted evidence. (Exhibit R-1)
5. The Respondent was specifically charged with the following violations of law in the Notice of Hearing and Statement of Charges dated January 22, 2015:

- a. Miss. Code Ann. § 83-17-71(1) (b) (Rev. 2011), by violating an order of the Mississippi Insurance Commissioner when he paid a \$1,000.00 fine to the Mississippi Insurance Commissioner in lieu of a Hearing with a check from a closed account.
- b. Miss. Code Ann. § 83-17-71(h) (Rev. 2011), having demonstrated fraudulent and/or dishonest practices or demonstrated incompetence, untrustworthiness or financial irresponsibility in the conduct of business by proffering a check from a closed account to pay a \$1,000.00 fine to the Mississippi Insurance Commissioner in lieu of a Hearing.

FINDINGS OF FACT

1. Respondent holds Mississippi insurance producer license No. 10063964.
2. As a result of charges filed against him in November, 2014, Respondent cooperated with an investigation conducted by MID Investigator Octavius Sample. Respondent elected to Consent to an Administrative Fine of \$1,000.00 (\$500 per charge) which he paid personally by check on January 5, 2015. (Exhibit S-1)
3. The check was written on the Bibleway Church, Inc. Community Trust Bank account, #107, for \$1,000.00. (Exhibit S-2)
4. On January 15, 2015, Mississippi Insurance Department was notified that the "Consent to Pay

Fine” check #107 payment was drawn from a closed bank account. (Exhibit S-2)

5. Ms. Nancy Stuart, Director of Administrative Services for the Mississippi Insurance Department, notified the Legal Division of the bad check and submitted an affidavit in testimony thereof. (Exhibit S-3)
6. During his testimony, Respondent stated that he did not know the check was bad and did not intend to submit a back check. (Exhibit R-1)
7. Respondent further testified that there were several individuals using the account, the account had problems and the bank decided to close the account on the day they received Check #107. (Exhibit R-1)
8. Respondent further testified that his insurance business is very slow from November through January, that the fine amounts to most of what he receives for his insurance business over that same period and that his ability to conduct business is further limited by seizures that he suffers periodically.

CONCLUSIONS OF LAW

1. The Commissioner has jurisdiction over this matter pursuant to Miss. Code Ann. § 83-17-71, *et seq.* (Rev. 2011), providing for the licensing of insurance producers by the MID and specifically providing for disciplinary actions against producers.
2. MID gave proper notice of the hearing and has fulfilled all relevant substantive and procedural requirements of law or rule.
3. MID Regulation Part I, Chapter 15, Rule 15.09, Para. L, Rules Regarding the Administrative Practice and Procedure before the Mississippi Insurance Department states the evidentiary standard for the hearing as follows; “Irrelevant, immaterial, and unduly repetitious evidence

shall be excluded. Any other evidence, oral or documentary, not privileged, may be received if it is a type commonly relied upon by reasonably prudent men in the conduct of their affairs.”

4. Statutes and regulations must be strictly construed in favor of the licensee. *McFadden V. Miss. State Board of Medical Licensure*, 735 So. 2d 145 (Miss. 1999).
5. Regarding the charge of violating the provisions of Miss. Code Ann. § 83-17-71(1) (b) (Rev. 2011) by not following an order of the Mississippi Insurance Commissioner, Mr. Williams clearly did not pay the \$1,000.00 fine in accordance with the “Consent to an Administrative Fine” by submitting payment from a closed bank account. Mr. Williams claims he did not know the account was closed. Mr. Williams will receive the benefit of the doubt on this charge which is hereby withdrawn.
6. Regarding the charge of fraudulent and dishonest practices under this code section Mr. Williams clearly demonstrated incompetence, untrustworthiness or financial irresponsibility in the conduct of business by using a check to pay an administrative fine from a non-business bank account to which numerous individuals had access and was subsequently closed. Conducting the business of insurance with such an account clearly shows a lack of financial irresponsibility. Mr. Williams thereby violated the provisions of Miss. Code Ann. § 83-17-71(1) (h) (Rev. 2011).
7. Miss. Code Ann. § 83-17-71(1) (Rev. 2011) provides that the Commissioner may “place on probation, suspend, revoke or refuse to issue or renew an insurance producer's license or may levy a civil penalty in an amount not to exceed One Thousand Dollars (\$1,000.00) per violation” for “(h) Using fraudulent, coercive or dishonest practices or demonstrating incompetence, untrustworthiness or financial irresponsibility in the conduct of business in this state or elsewhere”.

8. The aforementioned violation by Respondent constitute sufficient grounds for the imposition of disciplinary action per Miss. Code Ann. § 83-17-71(1) (Rev. 2011).

ORDER

IT IS, THISEFORE, ORDERED:

1. That the license of Respondent, Samuel Williams, to act as an insurance producer in the State of Mississippi is hereby revoked.
2. That the license of Respondent, Samuel Williams, to act as an Automobile Motor Club agent in the State of Mississippi is hereby revoked.
3. That the original Administrative Fine of \$1,000.00, which Respondent paid from a closed bank account on January 5, 2015, along with the \$35.00 return check processing fee for a total of \$1,035.00 is still to be paid to the Mississippi Insurance Department immediately.

SO ORDERED, this the 18th day of February, 2015.



MIKE CHANEY
COMMISSIONER OF INSURANCE
STATE OF MISSISSIPPI

Submitted by:



Christina Kelsey
HEARING OFFICER

Prepared by:



John W. Eads
Special Assistant Attorney General