

**BEFORE THE DEPARTMENT OF INSURANCE
OF THE STATE OF MISSISSIPPI**

**IN RE: WILLIE JAMES WILSON
Administrative Proceeding No. 04-4828**

ADMINISTRATIVE ORDER

This matter came on for hearing on March 24, 2004 at 10:00 a.m. before the Commissioner of Insurance for the State of Mississippi (hereinafter the "Commissioner"), on the Notice of Hearing and Statement of Charges (Exhibit S-1) against Willie James Wilson (hereinafter "Respondent"). Respondent after being duly and properly notified of said hearing in accordance with statutory requirements appeared at said hearing without counsel and provided testimony. Such hearing was held in the offices of the Mississippi Department of Insurance (hereinafter "Department"), 10th Floor, Woolfolk State Office Building, 501 North West Street, Jackson, Mississippi. The Commissioner, being fully advised in the premises, finds as follows:

FINDINGS OF FACT

I.

On or about January 6, 2004, Respondent filed an application to renew Respondents' license for the line of life, health and accident insurance, which is before the Commissioner for consideration. Exhibit S-2 is the Respondent's application for license renewal of privilege license number 8200066 for the line life, health and accident insurance.

II.

Respondent is currently licensed by the Commissioner, under privilege license number 8200066, to act as an insurance agent for the line of full line property and

Willie James Wilson
April 12, 2004
Page Two

casualty insurance. Exhibit S-3 is the Respondent's application for license renewal of privilege license number 8200066 for the line of full line property and casualty insurance.

III.

Respondent indicated on his 2003 application for license renewal: full line property and casualty lines, that Respondent only received One Thousand Five Hundred Dollars (\$1500.00) in agency commissions from Mississippi business for the previous year, and therefore only paid Twenty-Five Dollars (\$25.00) in taxes for such license. Exhibit S-4 is a photocopy of the agent account summary for Wilson Insurance Agency from the insurance company, AIG Specialty Auto, for the time period of January 1, 2002 through October 31, 2002. According to Exhibit S-4, the commissions payable to Wilson Insurance Agency during this time period are in the amount of \$35,027.81. According to the Respondent's testimony, he was the sole insurance agent doing business as Wilson Insurance Agency during the aforementioned time period. Respondent should have paid Fifty Dollars (\$50.00) in taxes for such license.

IV.

Respondent procured insurance on behalf of Jesse Triplett with National Security Fire & Casualty Company for the period of July 18, 2003 to January 18, 2004 with an endorsement added to the policy on July 29, 2003 adding coverage for another vehicle and changing the policy period effective date to July 24, 2003 to January 24, 2004. Exhibit S-5 is a cumulative exhibit containing a photocopy of the application for the aforementioned insurance on behalf of Jesse Triplett, signed by the Respondent as the

Willie James Wilson
April 12, 2004
Page Three

Agent and a photocopy of the aforementioned endorsement to such policy. Exhibit S-7 is a photocopy of the cancellation letter of Jesse Triplett's insurance policy # MS03070272 with National Security Fire & Casualty Company. Exhibit S-7 shows that the aforementioned insurance coverage for Jesse Triplett was canceled on October 6, 2003. Despite the cancellation of Jesse Triplett's insurance the Respondent or a person in his employ or under his authority continued to collect premiums from Jesse Triplett. According to Exhibit S-6, which is a photocopy of the Respondent's receipt books, the Respondent or a person in his employ or under his authority collected premiums from Jesse Triplett on October 27, 2003 in the amount of Ninety-Six Dollars (\$96.00) and on November 13, 2003 in the amount of Ninety-Six Dollars (\$96.00).

V.

Respondent procured insurance on behalf of L.W. Gatewood for the period of March 17, 2003 to September 17, 2003 with National Security Insurance Company. Exhibit S-8 is a photocopy of the application for the aforementioned insurance on behalf of L.W. Gatewood, and is signed by the Respondent as the Agent. Exhibit S-9 is a photocopy of the notice of cancellation and cancellation letter of L.W. Gatewood's insurance policy # MS03030190 with National Security Fire & Casualty Company. Exhibit S-9 shows that the aforementioned insurance coverage for L.W. Gatewood was canceled on May 31, 2003. Despite the cancellation of L.W. Gatewood's insurance the Respondent or a person in his employ or under his authority continued to collect premiums from L.W. Gatewood. According to Exhibit S-10, which is a photocopy of the

Willie James Wilson
April 12, 2004
Page Four

Respondent's receipt books, the Respondent or a person in his employ or under his authority collected premiums from L.W. Gatewood on September 16, 2003 in the amount of Three Hundred and Forty-Six Dollars (\$346.00).

VI.

Respondent procured insurance on behalf of Steve Dezell for the period of August 25, 2003 to February 25, 2004 with National Security Fire & Casualty Company. Exhibit S-11 is a photocopy of the application for the aforementioned insurance on behalf of Steve Dezell, and is signed by the Respondent as the Agent. Exhibit S-12 is a photocopy of the notice of cancellation of Steve Dezell's insurance policy # MS03080385 with National Security Fire & Casualty Company. Exhibit S-13 is a photocopy of the cancellation letter of Steve Dezell's insurance policy #MS 03080385 with National Security Fire & Casualty Company. Exhibit S-13 shows that the aforementioned insurance coverage for Steve Dezell was canceled on October 10, 2003. Despite the cancellation of Steve Dezell's insurance the Respondent or a person in his employ or under his authority continued to collect premiums from Steve Dezell. According to Exhibit S-14, which is a photocopy of the Respondent's receipt books, the Respondent or a person in his employ or under his authority collected premiums from Steve Dezell on September 9, 2003 in the amount of Fifty-Two Dollars and Sixty Cents (\$52.60) and on October 24, 2003 in the amount of Fifty-Two Dollars and Sixty Cents (\$52.60).

VII.

According to the testimony of John Hornback, chief investigator of the Department of Insurance, based on information obtained during Mr. Hornback's investigation of the Respondent's insurance agency, the Respondent had placed a sign before the public in his agency indicating that he sold burial insurance. Respondent was not licensed to sell burial insurance at anytime relevant herein. Exhibit D-8 is a copy of the aforementioned sign indicating the Respondent sold burial insurance. Respondent testified that the sign was placed before the public to advertise the industrial life policies he was licensed to sell.

VIII.

Respondent engaged in the business of insurance through or on behalf of the following companies, Wilson Insurance Agency and/or Wilson & Allen Insurance L.L.C., which were acting as an insurance producer ("business entity") without a license, as shown in Exhibit S-5, S-8 and S-11.

IX.

Exhibit D-1 is a photocopy of an offense/incident report filed by the Respondent with the Greenwood, Mississippi Police Department regarding missing funds in the amount of Six Thousand Dollars (\$6000.00) from the Respondent's insurance agency.

X.

Exhibit D-2 is a photocopy of a letter sent by Willie Wilson to Jesse Triplett on March 8, 2004 in which the Respondent states in pertinent part "Our former secretary

Willie James Wilson
April 12, 2004
Page Six

misappropriated payments which she was never authorize to do so. Respectfully, I find the most ethical thing to do is to refund the monies to you and to offer my apology.”

XI.

Exhibit D-3 is a letter/receipt signed by Jesse Triplett, which is not notarized, stating in pertinent part “... that Jesse Triplett have accepted \$192.00 from Wilson & Allen Insurance concerning my unapplied payments.”

XII.

Exhibit D-4 is a photocopy of a letter sent by Willie Wilson to L.W. Gatewood on March 8, 2004 in which the Respondent states in pertinent part “...she misappropriate your deposit which she was never authorize to do. Respectfully, since I have been doing business with you and your family for as long as I have been in the insurance business over twenty years I find the most ethical thing to do is to refund the monies to you and to offer my apology.”

XIII.

Exhibit D-5 is a letter/receipt signed by L.W. Gatewood, which is not notarized, stating in pertinent part “... that L.W. Gatewood have accepted \$346.00 from Wilson & Allen Insurance concerning my unapplied payments.”

XIV.

Exhibit D-6 is a photocopy of a letter sent by Willie Wilson to Steve Dezell on March 8, 2004 in which the Respondent states in pertinent part “...she continue to accept your Sept. and Oct. payments and misappropriated them which she would never been

Willie James Wilson
April 12, 2004
Page Seven

authorized to do so. Respectfully, I find the most ethical thing to do is to refund the monies to you and to offer my apology.”

XV.

Exhibit D-7 is a letter/receipt signed by Steve Dezell and Patsy Dezell, which is not notarized, stating in pertinent part “that I Steve Dezell have accepted (\$)105.20 from Wilson & Allen Insurance concerning my unapplied payments.”

XVI.

Based on the substantial amount of evidence provided herein, the license of the Respondent to engage in the business of insurance as an insurance producer for the line Full Line Property and Casualty, privilege license number 8200066 should be revoked. In addition, the Respondent should provide proof to the satisfaction of the Commissioner that full restitution has been paid to all persons from whom the Respondent or any person in his employ or under his authority misappropriated, converted or otherwise improperly withheld money. These persons include but are not limited to the following: Shirley Crigler, Vera Little, Ethel Golden, Iona Hansbrough, Antwon Williams, Shirley Terry, Minnie Miller, Asia Johnson, Christine Robinson, Frederick Washington, Eddie Gibson, Michael Banks, Joyce Speight, Jessie Triplett, Linda Weaver, Mary Womack, Tasha Hill, Edwina Fowler, Aretha Walls, Harvey Crosbey, Lloyd Totten, James Reaves, Stacey Lindsey, Sellie Viser, L.W. Gatewood, and Steve Dezell.

Willie James Wilson
April 12, 2004
Page Eight

In addition, the Respondent should be assessed an administrative fine in the amount of One Thousand Dollars (\$1000.00) payable to the Mississippi Department of Insurance and due immediately.

Furthermore, the license of the Respondent, privilege license number 8200066, to engage in the business of insurance as an insurance producer for the line Life, Health and Accident should be renewed upon an affirmative showing by the Respondent to the satisfaction of the Commissioner that the Respondent has complied with all provisions of the Mississippi Code, Administrative Orders of the Commissioner, and all other Department directives.

CONCLUSIONS OF LAW

XVI.

Respondent has violated the provisions of Miss. Code Ann. § 83-17-71 (1) (a) (Supp. 2003) by providing incorrect, misleading, incomplete or materially untrue information in the license application.

XVII.

Respondent has violated the provisions of Miss. Code Ann. § 83-17-71 (1) (c) (Supp. 2003) by obtaining a license through misrepresentation or fraud.

XVIII.

Respondent has violated the provisions of Miss. Code Ann. § 83-17-71 (1) (d) (Supp. 2003) by improperly withholding, misappropriating or converting any monies or

Willie James Wilson
April 12, 2004
Page Nine

properties received in the course of doing insurance business in this state. Each violation of this provision should be considered a separate violation.

XIX.

Respondent has violated the provisions of Miss. Code Ann. § 83-17-71 (1) (g) (Supp. 2003), Miss. Code Ann. § 83-5-33 (Rev. 1999) and Miss. Code Ann. § 83-5-35 (b) (Rev. 1999) by having admitted or been found to have committed any insurance unfair trade practice or fraud.

XX.

Respondent has violated the provisions of Miss. Code Ann. § 83-17-71 (1) (h) (Supp. 2003) by using fraudulent, coercive or dishonest practices or demonstrating incompetence, untrustworthiness or financial irresponsibility in the conduct of business in this state or elsewhere.

XXI.

Respondent has violated the provisions of Miss. Code Ann. § 83-17-61 (2) (Supp. 2003) by engaging in the business of insurance through or on behalf of a business entity which was acting as an insurance producer without a license.

XXII.

Respondent has violated the provisions of Miss. Code Ann. § 83-17-71 (1) (b) (Supp. 2003) by violating any insurance laws, or violating any regulation, subpoena or order of the Commissioner or of another's state Commissioner.

Willie James Wilson
April 12, 2004
Page Ten

ORDER

IT IS THEREFORE ORDERED, that the charges previously stated herein against the Respondent, Willie James Wilson, shall be and by the same are hereby sustained.

IT IS FURTHER ORDERED, that the license granted to the Respondent, Willie James Wilson, by the Commissioner, under privilege license number 8200066, to act as an insurance agent for the line of full line property and casualty insurance, shall be **REVOKED** effective immediately.

IT IS FURTHER ORDERED, that the Respondent shall provide proof to the satisfaction of the Commissioner that full restitution has been paid to all persons from whom the Respondent or any person in his employ or under his authority misappropriated, converted or otherwise improperly withheld money. These person include but are not limited to the following: Shirley Crigler, Vera Little, Ethel Golden, Iona Hansbrough, Antwon Williams, Shirley Terry, Minnie Miller, Asia Johnson, Christine Robinson, Frederick Washington, Eddie Gibson, Michael Banks, Joyce Speight, Jessie Triplett, Linda Weaver, Mary Womack, Tasha Hill, Edwina Fowler, Aretha Walls, Harvey Crosbey, Lloyd Totten, James Reaves, Stacey Lindsey, Sellie Viser, L.W. Gatewood, and Steve Dezell.

IT IS FURTHER ORDERED, that the Respondent shall be assessed an administrative fine in the amount of One Thousand Dollars (\$1000.00), which shall be payable to the Mississippi Department of Insurance and due immediately.

Willie James Wilson
April 12, 2004
Page Eleven

IT IS FURTHER ORDERED, that the license of the Respondent, privilege license number 8200066, to engage in the business of insurance as an insurance producer for the line Life, Health and Accident shall be renewed upon an affirmative showing by the Respondent to the satisfaction of the Commissioner that the Respondent has complied with all provisions of the Mississippi Code, Administrative Orders of the Commissioner, and all other Department directives.

SO ORDERED, this the 8th day of April, 2004.



GEORGE DALE
COMMISSIONER OF INSURANCE
STATE OF MISSISSIPPI