

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

**RE: WEST SERVICE INSURANCE COMPANY
PRIVILEGE LICENSE NO. 7701250**

CAUSE NO. 09-5974

ORDER

THIS CAUSE was scheduled for hearing before the Commissioner of Insurance of the State of Mississippi, in the offices of the Commissioner of Insurance of the State of Mississippi, 10th Floor, Woolfolk State Office Building, Jackson, Hinds County, Mississippi at 9:30 a.m. on Tuesday, August 4, 2009, to hear evidence concerning a Notice of Hearing and Statement of Charges that were brought against West Service Insurance Company (hereinafter "Respondent") on July 13, 2009. After service and notice, a representative for Respondent, Theodore J. West appeared and gave testimony at the hearing. Brandon White, Esq. represented the Department. Hearing Officer Bobby Perkins took testimony and accepted evidence in this matter. The Commissioner of Insurance, based on the evidence presented at the hearing, makes the following Findings of Fact and Conclusions of Law, to wit:

STATEMENT OF CHARGES

The Respondent was charged with the following violations of law in the Notice of Hearing and Statement of Charges issued July 13, 2009.

1. Miss. Code Ann. § 83-37-23 (Supp. 2007), provides that the Commissioner of Insurance of the State of Mississippi may suspend, revoke or refuse to renew any license issued for the failure of any person, firm, association, or corporation to promptly pay or fulfill any contract in force at the time of maturity.

2. Miss. Code Ann. § 83-37-25 provides that if upon examination the insurance commissioner be of the opinion that the capital stock of a domestic corporation has become impaired the commissioner may cancel its license to do business in this state.
3. Miss. Code Ann. § 83-37-29 (Supp. 2007), provides that any person, firm, association or corporation engaging in the business of a burial association without first having complied with the provisions set forth in Miss. Code Ann. Title 83, Chapter 37, and after notice to the applicant or licensee and hearing, the Commissioner of Insurance shall assess a penalty for each violation of not less than Two Hundred Fifty Dollars (\$250.00) nor more than Five Hundred Dollars (\$500.00), and in addition thereto shall forfeit the license to do business in this state.

NOTICE OF HEARING

I.

That on or about July 13, 2009, the Commissioner of Insurance, or his appointed designee, pursuant to Miss. Code Ann. § 83-37-23 and § 83-37-29, gave the required notice to the Respondent of the Commissioner's intention to hold a hearing for the purpose of reviewing the status of the Respondent's privilege license to operate a burial association.

II.

Respondent was given notice by personal service of the Notice of Hearing on Theodore J. West, a representative of George F. West Funeral System, on July 16, 2009, for hearing on August 4, 2009.

III.

On August 4, 2009, Theodore J. West, a representative of Respondent, appeared for said hearing.

FINDINGS OF FACT

After considering all of the evidence and testimony presented, the Commissioner of Insurance makes the following findings of fact:

IV.

The Respondent did fail to properly fulfill the contract obligations set forth in the burial policies of Jimmie Dennis, Sr., Susie Earls, Marie D. Green, Pearl Smith Long, and Mary ONeal.

V.

The Respondent is found to have a capital stock impairment. After examining the Respondent's books, records, papers and other data it is the insurance commissioner's opinion that the capital stock of the Respondent's domestic corporation has become impaired.

CONCLUSIONS OF LAW

In light of the aforementioned findings of fact, the Commissioner of Insurance finds that the Respondent has violated the following provisions:

VI.

The Respondent has violated Miss. Code Ann. § 83-37-23 by failing to properly and promptly pay or fulfill burial association policies or contracts in force, as set forth in paragraph IV. above.

VII.

The Respondent has violated Miss. Code Ann. § 83-37-25. It is the insurance commissioner's opinion that the capital stock of the Respondent's domestic corporation is impaired.


ORDER

It is therefore ordered that the charges previously filed herein against the Respondent are hereby sustained.

VIII.

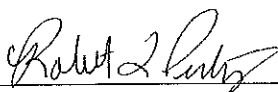
It is hereby Ordered that the Respondent's Privilege License No. 7701250 to operate a burial association is hereby **SUSPENDED** for 45 days from the date of this Order. During the suspension, the Respondent may only pay claims that become due; Respondent may not write new policies nor collect premiums on existing policies. During this period of suspension, no policy shall be lapsed for nonpayment of premium. Should the Respondent wish to appeal the Order of the Commissioner, he may follow the procedure set forth in Miss. Code Ann. §83-37-23 and §83-17-83 (Supp. 2008).

SO ORDERED, this the 2nd day of September, 2009.



MARK HAIRE
DEPUTY COMMISSIONER OF INSURANCE
STATE OF MISSISSIPPI

Report: Recommendation Submitted By:



Robert L. Perkins
Hearing Officer