

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

**IN RE:           SHIRA CARLETTA STALLWORTH  
                  Insurance Producer License No. 10485915**

**FINAL ADMINISTRATIVE ORDER**

**THIS CAUSE** came on for hearing on Thursday, November 19, 2020 at 10:00 a.m. CST before the Commissioner of Insurance of the State of Mississippi, by and through his specially designated appointee, the Hon. Mark Lampton (hereinafter "Hearing Officer"), via teleconference hearing, pursuant to an Order of Continuance issued November 5, 2020, pursuant to the Supplemental Notice of Hearing dated October 8, 2020, as well as the original Notice of Hearing and Statement of Charges dated February 27, 2020. Having received notice of the hearing, the Respondent, Shira Carletta Stallworth, appeared via telephone and gave testimony. Respondent called two witnesses, Cemarrion Stallworth, Jr. and Sandra Stallworth. Phillips Strickland, Senior Attorney, represented the Department. The State called one witness, Seth Graham, AFLAC SIU Investigator. Based upon the evidence and testimony, and upon the recommendation given by the Hearing Officer, the Commissioner makes the following Findings of Fact and Conclusions of Law, to-wit:

**I. AUTHORITY**

Miss. Code §83-17-71(1) provides that the Commissioner of Insurance 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) per violation for any one or more of the following causes:

- (g) Having admitted or been found to have committed any insurance unfair trade practice or fraud;
  
- (h) Using fraudulent, coercive or dishonest practices or demonstrating incompetence, untrustworthiness or financial irresponsibility in the conduct of business in this state or elsewhere.

Additionally, Miss. Code Section 83-17-71(4) provides that the Commissioner of Insurance may in addition to, or in lieu of, the remedies provided in this section, after a hearing, impose an administrative fine of not more than One Thousand Dollars (\$1,000.00) per violation.

**II. NOTICE AND HEARING**

On or about February 27, 2020, the Commissioner of Insurance of the State of Mississippi, or his appointee, pursuant to Miss. Code § 83-17-71, gave the required notice to the Respondent of the Commissioner's intention to hold a hearing for the purpose of reviewing the status of Respondent's Privilege License to operate as an Insurance Producer in the State of Mississippi, and to potentially revoke any current producer licenses the Respondent may hold.

This original hearing scheduled for Thursday, March 26, 2020 was postponed in light of the COVID-19 pandemic. On October 8, 2020 a second notice of hearing was sent to and received by Respondent, providing notice of an administrative hearing to be held on Thursday, November 5, 2020 at 10:00 a.m. CST via teleconference pursuant to Miss. Admin. Code Title 19 (Dept. of Insurance), Part 1, Chapter 44 (Administrative Hearing Procedures Specific to COVID-19). On November 5, 2020, at the date, time and place of the hearing, a motion for continuance was well taken and was sustained, and all parties agreed that November 19, 2020 at 10:00 a.m. was a satisfactory date and time for the hearing to occur, via the same teleconference call in line available for the November 5, 2020 hearing.

### **III. FINDINGS OF FACT**

**AFTER CONSIDERING** all of the evidence presented, including the Findings and Recommendations of the Hearing Officer, which is hereby made part of this record, the Commissioner of Insurance makes the following Findings of Fact:

Testimony provided at hearing established that neither Creative Women Enterprises nor End Times Ministries have ever established a payroll, in that these were family run businesses and all family members and “employees” worked as uncompensated volunteers (see hearing audio file of hearing testimony by Respondent, C. Stallworth, and Sandra Stallworth). At the time Respondent submitted applications for insurance policies to AFLAC to be paid through payroll deduction, she was a part of and familiar with the operation of these businesses, was aware that there was no payroll established for either business, and it is not reasonable to believe that Respondent believed, in good faith, that these premiums would be paid when the applications for insurance were submitted. Consequently, I find that, on various occasions between June and August 2017, Respondent submitted policies, and was paid commissions for the sale of policies, which she knew or should have known would never have the premiums paid therefor. The improperly submitted policies specifically include the applications submitted for End Times Ministries (AFLAC Group K0W07 – Employees: Shira Stallworth, Cemarrion Stallworth and Sandra Stallworth) and Creative Women Enterprises (AFLAC Group K5P93 – Employees: Naticia Stallworth, Sandra Stallworth, Shira Stallworth, Marcus Kinnard, and Cemarrion Stallworth). The evidence is clear and convincing that Respondent’s submission of these applications either demonstrated incompetence or was fraudulently done, with either finding being sufficient to establish a violation of Miss. Code §83-17-71(1)(h).

AFLAC Investigator Graham testified at the hearing that no premiums were paid for AFLAC Group K5P93 (Creative Women Enterprises) or AFLAC Group K0W07 (End Time Ministries). Respondent however received advance commissions for these two groups in the amount of \$1,631.18. Investigator Graham testified that none of these advance commissions have been paid back to AFLAC.

As mitigation, evidence was submitted through testimony of Respondent and other witnesses that she received her insurance producer license only a few months before the subject license applications were submitted. She was still in her “training” phase, and accompanied by a regional / district supervisor at the time of her placing of these policies of insurance for her family members. Respondent’s business practices have, since these events occurred, improved, and there is no evidence that a practice of submitting applications with knowledge there would

be no premium payment has continued during the approximately two years since these events occurred. Furthermore, I do specifically find that the applications for insurance for employees of New York Pizza were not improper, as Respondent had no reason to know that the payroll deductions from that business would not occur. All findings of improper application submittal are related only to employees of Creative Women Enterprises and End Time Ministries.

#### IV. CONCLUSIONS OF LAW

**IN LIGHT OF THE AFOREMENTIONED** Findings of Fact, the Commissioner of Insurance finds that Respondent, Shira Stallworth, has committed the following violations:

That the Respondent, Shira Stallworth, has violated the provisions of Miss. Code Ann. Section 83-17-71(1)(h) in that such insurance producer has used fraudulent, coercive or dishonest practices or demonstrated incompetence, untrustworthiness or financial irresponsibility in the conduct of business, as has been more particularly described herein in Paragraph III. of this Order.

#### V. JUDGMENT

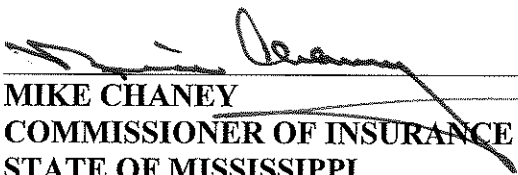
**IT IS, THEREFORE, ORDERED** that the CHARGE set forth in the Notice of Hearing alleging a violation of Miss. Code § 83-17-71(1)(h) is hereby **SUSTAINED**.

**IT IS ORDERED**, that the privilege license of Respondent, Shira Stallworth, to act as an insurance producer in the State of Mississippi, is hereby placed on probation for a period of one (1) year beginning at the date of this order.

**IT IS FURTHER ORDERED** that an administrative fine should be and hereby is imposed against the Respondent, Shira Stallworth, in the amount of \$500.00, which is due and payable to the Mississippi Insurance Department, effective immediately.

Should the Respondent wish to appeal the Order of the Commissioner, she may follow the procedure set forth in Miss. Code § 83-17-83.

**SO ORDERED**, this the 1<sup>st</sup> day of December, 2020.

  
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**MIKE CHANEY**  
**COMMISSIONER OF INSURANCE**  
**STATE OF MISSISSIPPI**

Report and Recommendation Submitted by:

  
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**MARK LAMPTON**  
**HEARING OFFICER**