

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

**COMMISSIONER OF INSURANCE**

**PETITIONER**

**VS.**

**CAUSE NO. 011-6265**

**JAMES KOREY GARRETT**

**RESPONDENT**

**ORDER**

**THIS CAUSE** came on for hearing before the Commissioner of Insurance of the State of Mississippi, sitting in a special session in the offices of the Commissioner of Insurance of the State of Mississippi, 10th Floor, Woolfolk State Office Building, 501 North West Street, Jackson, Hinds County, Mississippi on Wednesday, June 15, 2011 at 10:00 a.m. on the Notice of Hearing and Statement of Charges filed against James Korey Garrett ("Respondent"), to hear evidence concerning said complaint. Having received notice of the hearing, the Respondent appeared and gave testimony. Kimberly Causey, Special Assistant Attorney General, represented the Department. Hearing Officer Brandon White took testimony and accepted evidence in this matter. 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:

**STATEMENT OF CHARGES**

That the Respondent was charged with the following violations of law in the Notice of Hearing and Statement of Charges issued May 9, 2011:

- Miss. Code Ann. Section 83-17-71(1)(b) that such insurance producer has violated any insurance laws, or violated any regulation, subpoena or order of the commissioner;

- Miss. Code Ann. Section 83-17-71(1)(d) that such insurance producer has improperly withheld misappropriated or converted any monies or properties received in the course of doing insurance business; and,
- Miss. Code Ann. Section 83-17-71(1)(h) that such insurance producer has used fraudulent, coercive or dishonest practices or demonstrated incompetence, untrustworthiness or financial irresponsibility in the conduct of business.

### **NOTICE AND HEARING**

#### **I.**

That on or about May 9, 2011, the Commissioner of Insurance of the State of Mississippi, or his appointee, pursuant to Miss. Code Ann. § 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 revoke any current producer licenses the Respondent may hold.

#### **II.**

That said Notice of Hearing and Statement of Charges was sent to Respondent by certified mail, return receipt requested, in accordance with Miss. Code Ann. § 83-17-71, at the address Respondent provided to the Licensing Division of the Mississippi Department of Insurance. Respondent did sign for the certified mail containing the Notice of Hearing on May 13, 2011.

#### **III.**

That pursuant to said Notice, a hearing was scheduled before the Commissioner of Insurance of the State of Mississippi, for 10:00 a.m., on Wednesday, June 15, 2011.

### **FINDINGS OF FACT**

**AFTER CONSIDERING** all of the evidence presented, the Commissioner of Insurance makes the following Findings of Fact:

**IV.**

The Respondent did receive \$1879.90 in payments from several policyholders for payments on Union National Life Insurance Company policies. Although the monies were received by Respondent, the monies were not applied to the policyholders' accounts, but instead were applied to other policyholders' accounts so those policies would not lapse. At the hearing , the Respondent did admit to applying policyholders' premiums to other policyholders' accounts. Both the Company representative and the Respondent agreed that the Respondent had repaid the monies in full to the Company.

**V.**

The Respondent used fraudulent, coercive or dishonest practices as an insurance producer by taking premiums from the policyholders and failing to forward said monies to the proper policyholder accounts.

**CONCLUSIONS OF LAW**

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

**VI.**

That the Respondent has violated the provisions of Miss. Code Ann. § 83-17-71(1)(d), by improperly withholding misappropriated or converted monies or properties received in the course of doing insurance business, in the commission of the acts that have been more particularly described herein in Paragraph IV. of this Order.

**VII.**

That the Respondent has violated the provisions of Miss. Code Ann. § 83-17-71(1)(h) by using fraudulent, coercive or dishonest practices or demonstrating incompetence, untrustworthiness or financial irresponsibility in the conduct of business, in the commission of the acts that have been more particularly described herein in Paragraph IV. of this Order.

**ORDER**

**IT IS, THEREFORE, ORDERED** that the charges previously filed herein against the Respondent should be and the same are hereby sustained.

**IT IS FURTHER ORDERED**, the Respondent is hereby placed on probation for one (1) year from the date of this Order. Any violations committed by Respondent during this probationary period could result in the revocation of privilege license of Respondent to act as an insurance producer in the State of Mississippi.

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

**SO ORDERED**, this the 22<sup>nd</sup> day of June, 2011.

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

Report and Recommendation Submitted by:

  
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**BRANDON WHITE**  
**HEARING OFFICER**