

No. 4175

**OFFICIAL ORDER
of the
TEXAS COMMISSIONER OF INSURANCE**

Date: NOV 04 2015

Subject Considered:

PHILLIP JERMAINE HOBBS
702 Sherwood Ct.
Cedar Hill, Texas 75104

DEFAULT ORDER
TDI ENFORCEMENT FILE NO. 7624
SOAH DOCKET NO. 454-15-5403.C

General remarks and official action taken:

The commissioner of insurance considers disciplinary action against Phillip Jermaine Hobbs.

FINDINGS OF FACT

1. According to Texas Department of Insurance records, Hobbs has held a general lines life, accident, and health license with the department since December 22, 2011.
2. The department's computer records show the last known mailing address provided in writing to the department by Hobbs is 702 Sherwood Ct, Cedar Hill, Texas 75104.
3. The department sent the notice of hearing, dated August 24, 2015, to Hobbs at his last known mailing address by first class mail and certified mail, return receipt requested. The department also sent the notice of hearing to Hobbs at 3200 W. Pleasant Run Rd. No. 460, Lancaster, Texas 75146.
4. The notice of hearing informed Hobbs of the allegations against him, the right to appear and to be represented by counsel, the time and place of the hearing, the applicable statutes and rules, and the department's authority to obtain a default order against him and revoke his license should he fail to file a written response.
5. The notice of hearing contained the warnings required by 28 TEX. ADMIN. CODE §§ 1.88 and 1.89 and 1 TEX. ADMIN. CODE § 155.501(b).
6. Hobbs failed to file a written response to the notice of hearing within 20 days of the date the notice was mailed.

7. A disposition by default may be entered, pursuant to 28 TEX. ADMIN. CODE § 1.89(b)(1), which provides that, "The failure to file a written response within 20 days of the mailing of the notice of hearing shall entitle TDI to seek informal disposition by default from the commissioner as provided in Texas Insurance Code § 82.055."
8. A disposition by default requires the issuance of an order against Hobbs in which the allegations from the notice of hearing are deemed admitted as true.
9. Hobbs was a district manager at American National Insurance Company (ANICO).
10. An audit conducted by ANICO found that Hobbs' accounts showed an aggregate shortage of \$4,365.71 in premiums owed.
11. Pursuant to the terms of Hobbs' employment agreement as an ANICO district manager, Hobbs was responsible for any shortages if one of his sub-agents failed to refund unearned commissions owed to ANICO or converted premiums that were not refunded back to ANICO.
12. As of January 31, 2014, Hobbs is no longer appointed by ANICO.
13. According to ANICO, Hobbs has never contacted ANICO regarding the premiums owed nor has Hobbs made any effort to pay the monies back to ANICO.

CONCLUSIONS OF LAW

1. The commissioner has jurisdiction pursuant to TEX. INS. CODE §§ 82.051-82.054, 4001.002, 4005.101, 4005.102, and 4054.051; and TEX. GOV'T CODE §§ 2001.051-2001.178.
2. The commissioner has authority to dispose of this case informally pursuant to TEX. GOV'T CODE § 2001.056; TEX. INS. CODE § 82.055; and 28 TEX. ADMIN. CODE §§ 1.47, 1.88, and 1.89.
3. Based on 28 TEX. ADMIN. CODE § 19.906, Hobbs' last known address is presumed to be 702 Sherwood Ct, Cedar Hill, Texas 75104.
4. TDI sent a notice of hearing to Hobbs' last known address as required by 28 TEX. ADMIN. CODE §§ 1.28(c) and 1.88(c); 1 TEX. ADMIN. CODE § 155.401; and TEX. GOV'T CODE Ch. 2001.
5. The allegations in the notice of hearing, set out as findings of fact nos. 1 and 9-13, are deemed admitted as true pursuant to 28 TEX. ADMIN. CODE § 1.89.
6. Pursuant to TEX. INS. CODE §§ 4005.101(b)(4)(A)-(b)(5) and 4005.102, the commissioner may revoke Hobbs' license because he:

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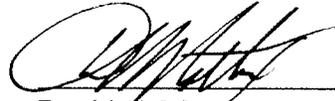
COMMISSIONER'S ORDER

Phillip Jermaine Hobbs

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- a. Misappropriated, converted to his own use, or illegally withheld money belonging to an insurer, insured, or enrollee; and
- b. Engaged in fraudulent or dishonest acts or practices.

The commissioner revokes Phillip Jermaine Hobbs' general lines life, accident, and health license. The commissioner orders Hobbs to pay \$4,365.71 in restitution to American National Insurance Company within 30 days from the date of this order. Hobbs must send written proof of payment of restitution in full to the Texas Department of Insurance, Attn: Catherine Bell, or her successor, Enforcement Section, MC 110-1A, P.O. Box 149104, Austin, TX 78714-9104, within 30 days from the date of this order.



David C. Mattax
Commissioner of Insurance

Affidavit

State of Texas §
County of Travis §

Before me, the undersigned authority, personally appeared the affiant, who, being by me duly sworn, deposed as follows:

“My name is Ginger Yocom and I am employed by the Texas Department of Insurance. I am of sound mind, capable of making this affidavit, and have personal knowledge of these facts which are true and correct.

I have reviewed TDI’s records concerning Phillip Jermaine Hobbs. I have confirmed that:

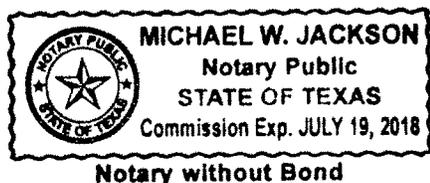
- a. 702 Sherwood Ct, Cedar Hill, Texas 75104 is the last mailing address Hobbs provided the department in writing.
- b. TDI file no. 7624 contains the notice of hearing, dated August 24, 2015, that was filed with the State Office of Administrative Hearings.
- c. The notice of hearing was addressed to Hobbs at his last known address and mailed first class and certified mail, return receipt requested, on August 24, 2015. The notice of hearing was also sent to Hobbs at 3200 W. Pleasant Run Rd. No. 460, Lancaster, Texas 75146, by first class and certified mail, return receipt requested on August 24, 2015.

Copies of the mail logs maintained by the Enforcement Section are attached as Exhibit A.”

Ginger Yocom
Affiant

SWORN TO AND SUBSCRIBED before me on 22 September 2015

(NOTARY STAMP)



Michael W. Jackson
Signature of Notary Public

