State of Tennessee
Department of State
Administrative Procedures Division
312 Rosa L. Parks Avenue
8th Floor, William R. Snodgrass Tower
Nashville, Tennessee 37243-1102
Phone: (615) 741-7008/Fax: (615) 741-4472

June 19, 2015

James Randall Witham, Esq.
Assistant General Counsel
TN Department of Commerce & Insurance
8th Floor, Davy Crockett Tower
500 James Robertson Parkway
Nashville, Tennessee 37243

James E. Foglesong, Esq.
103 Suburban Road, Suite #D-201
Knoxville, TN 37923

RE: In the Matter of: Ethel Ella Hipes Docket No. 12.01-130466J

Enclosed is an order rendered in the above-styled cause of action.

Administrative Procedures Division
Tennessee Department of State

/aem
Enclosure

The Department of State is an equal opportunity, equal access, affirmative action employer

BEFORE THE COMMISSIONER OF THE
TENNESSEE DEPARTMENT OF COMMERCE AND INSURANCE

TENNESSEE INSURANCE DIVISION, ***Petitioner,***	**DOCKET NO: 12.01-130466J**
v.	
Ethel Ella Hipes, ***Respondent***	

ORDER GRANTING SUMMARY SUSPENSION

On May 21, 2015, Petitioner filed a Motion for Summary Suspension to suspend Respondent's insurance producer license. A telephone conference call was held on June 4, 2015, between James Witham, Esq., Counsel for the Petitioner, James Foglesong, Counsel for the Respondent, and the undersigned. Counsel for Respondent filed a reply to the Motion for Summary Suspension on June 12, 2015. Upon consideration of the Motion, arguments of counsel, and the record as a whole, it is determined that the State has proved that the continued public health, safety, or welfare requires the immediate summary suspension of Respondent's insurance producer license pending a full hearing on the merits.

FINDINGS OF FACT RELATED TO SUMMARY SUSPENSION

1. Respondent is a licensed insurance producer with the State of Tennessee.

2. The Division has sufficiently supported facts to contend that the Respondent has pending significant charges filed by the Division.

3. The Division has alleged that the Respondent has committed misappropriation and fraud in violation of Tenn. Code Ann. §56-6-112(a)(4) and (8).

4. Sufficient facts exist to conclude that the Respondent has either left the State of Tennessee or is otherwise unavailable in an attempt to evade the Division's ability to monitor her actions should she commit any violation of Tennessee insurance laws outside the territorial limits of Tennessee.

CONCLUSIONS OF LAW

1. Tenn. Code Ann. § 56-6-112(a) provides "the commissioner may place on probation, suspend, revoke or refuse to issue or renew a license issued under this part or may levy a civil penalty in accordance with this section or take any combination of those actions for any one (1) or more of the following causes:

> (4) Improperly withholding, misappropriating or converting any moneys or properties received in the course of doing insurance business; [and]
>
> (8) Using fraudulent, coercive, or dishonest practices, or demonstrating incompetence, untrustworthiness or financial irresponsibility in the conduct of business in this state or elsewhere.

2. Tenn. Code Ann. § 4-5-320(c) states, in pertinent part, if an agency finds that public health, safety, or welfare imperatively requires emergency action, and incorporates a finding to that effect in its order, summary suspension of a license may be ordered pending proceedings for revocation or other action.

3. Based on the above Findings, continuation of Respondent's insurance producer license would be hazardous to the public due to evidence showing Respondent's misappropriation and fraudulent actions. Furthermore, evidence shows that the Respondent has left Tennessee and could engage in insurance sales that cannot be monitored by the Division.
4. Accordingly, it is hereby ORDERED that Respondent's insurance producer license issued by the State of Tennessee is SUMMARILY SUSPENDED, pursuant to Tenn. Code Ann. § 4-5-320 (c) and (d), until such time as a hearing is held on the merits of the Division's Notice of Hearing and Charges.
5. If requested, an informal conference shall be held within seven (7) business days upon issuance of this Order, pursuant to Tenn. Code Ann. § 4-5-320(d), to discuss the circumstances affecting the public health, safety and welfare which warranted to issuance of this Order of Summary Suspension. A date for such an informal conference will be set and Respondent will be notified of the date when such informal conference may occur, should Respondent request one.
6. This matter remains set for a full hearing on the merits on September 17, 2015.

All other matters are reserved.

IT IS SO ORDERED.

This ORDER entered and effective this the 19TH day of JUNE 2015.

ROB WILSON
ADMINISTRATIVE JUDGE
ADMINISTRATIVE PROCEDURES DIVISION
OFFICE OF THE SECRETARY OF STATE

Filed in the Administrative Procedures Division, Office of the Secretary of State, this the 19TH day of JUNE 2015.

J. Richard Collier

J. RICHARD COLLIER, DIRECTOR
ADMINISTRATIVE PROCEDURES DIVISION
OFFICE OF THE SECRETARY OF STATE