

**MINUTES** of the Tennessee Alarm Systems Contractors Board Meeting held **August 20, 2020**, by WebEx in Nashville Tennessee.

*Doug Fraker*

Doug Fraker (Oct 31, 2020 09:07 EDT)

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Douglas Fraker



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Lou Richard, Secretary

*Scott Cockroft*

Scott Cockroft (Oct 23, 2020 11:22 CDT)

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William Scott Cockroft, Vice Chair

*Keith Harvey*

Keith Harvey (Oct 23, 2020 14:55 CDT)

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John Keith Harvey, Chair

**TENNESSEE ALARM SYSTEMS CONTRACTORS BOARD MEETING AND  
EDUCATION MEETING MINUTES**

**Date:** Thursday, August 20, 2020 9:00 A.M. (CST)

**Place:** WebEx platform based at  
Davy Crockett Tower  
500 James Robertson Parkway  
Nashville, TN 37243

**Board Members Present:**

Scott Cockroft, Vice Chair  
Doug Fraker  
Keith Harvey, Chair  
Lou Richard, Secretary

**Staff Members Present:**

Cody Vest, Executive Director  
Ashley Thomas, Staff Attorney  
Jesse Gentry, Assistant General Counsel  
Shauna Williams, Administrative Assistant RB3  
Mark Amick, Administrative Manager  
Megan Mosley, Administrative Assistant RB2  
Dianna Taylor, Administrative Assistant RB2  
Carol McGlynn, Paralegal  
Dustin Barati, Executive Administrative Assistant

**Call to Order:** - Keith Harvey, Chair

Chair Harvey called the meeting to order at 9:02 A.M. Executive Director, Cody Vest called roll.

**Roll Call:** - Cody Vest, Executive Director

Keith Harvey - Here  
Scott Cockroft - Here  
Doug Fraker – Here  
Lou Richard - Here

Let the record show there is a quorum.

**Agenda:**

Motion was made by board member Richard to adopt the agenda as proposed. Motion was seconded by board member Fraker.

**Roll call:**

Keith Harvey - Yes

Scott Cockroft – Yes

Doug Fraker – Yes

Lou Richard - Yes

**MOTION CARRIED**

**Minutes: - Meeting and Education Minutes**

Motion was made by board member Fraker to approve the minutes from June 25, 2020.

Motion was seconded by board member Richard.

**Roll call:**

Keith Harvey – Sustained (Absent at last meeting)

Scott Cockroft – Yes

Doug Fraker – Yes

Lou Richard - Yes

**MOTION CARRIED**

**Election of officers:**

Calling for nominations for board chair. Scott Cockroft nominates Keith Harvey for chair.

Keith Harvey has been nominated by Scott Cockroft for Alarm Systems Contractors

Chair. Is there a second to the nomination? Nomination seconded by Lou Richard.

There are no other nominations. Doug Fraker makes the motion to approve Keith

Harvey for chair, second by Scott Cockroft.

**Roll call:**

Scott Cockroft – Yes

Doug Fraker – Yes

Lou Richard - Yes

**MOTION CARRIED**

Calling for nominations for vice chair. Keith Harvey nominates Scott Cockroft for vice

chair. Scott Cockroft has been nominated by Keith Harvey for Alarm Systems

Contractors Vice Chair. Is there a second to the nomination? Nomination seconded by

Lou Richard. There are no other nominations. Keith Harvey makes the motion to

approve Scott Cockroft for vice chair, second by Lou Richard.

**Roll call:**

Keith Harvey – Yes

Doug Fraker – Yes

Lou Richard - Yes

**MOTION CARRIED**

Calling for nominations for secretary. nominates Lou Richard for secretary. Lou Richard has been nominated by Scott Cockroft for Alarm Systems Contractors Secretary. Is there a second to the nomination? Nomination seconded by Doug Fraker. There are no other nominations. Scott Cockroft makes the motion to approve Lou Richard for secretary, second by Doug Fraker.

**Roll call:**

Keith Harvey– Yes

Scott Cockroft– Yes

Doug Fraker - Yes

**MOTION CARRIED**

**Recap of Election of Officers:** Keith Harvey- Chair, Scott Cockroft – Vice Chair and Lou Richard – Secretary.

**Legal Report:** - Jesse Gentry, Assistant General Counsel

New Cases:

- 020033711**  
**Respondent:**  
**License Status:** – APP Closed  
**First Licensed:** N/A  
**License Expiration:** N/A  
**Disciplinary History:** None

**Summary:** The Complainant stated that Respondent was operating without a license. The Respondent stated that it only provides security equipment and does not install or monitor security systems.

The Respondent advertises that its services are “exclusively sold, set up and supported by a national network of providers.” The Respondent also advertises that “[w]hether you are looking for a [f]ire, theft, police or medical protection we are committed in making sure that the things that mean the most to you are protected 24/7.” The Respondent has been observed posting on social media about completed installations and sales online, and the Respondent has advertised camera and security system installation as well as gate access control and smart home technologies. There is also evidence that the Respondent has sold and installed a CCTV system as we obtained a statement from another company who had a customer’s equipment replaced by Respondent, which was also evidenced by Respondent’s signage at this customer’s location, according to that company.

Even if Respondent isn't actually performing installations, as it states, there is sufficient evidence to show that the Respondent is at least holding itself out as an alarm contractor.

**Recommendation: Authorize formal and send a Consent Order with a civil penalty in the amount of \$1,000.00 for engaging in unlicensed activity in violation of T.C.A. § 62-32-304(a).**

**BOARD DECISION:** Motion was made by board member Cockroft to concur with recommendation of counsel. Motion was seconded by board member Richard.

**Roll call:**

Scott Cockroft – Yes

Doug Fraker – Yes

Keith Harvey - Yes

Lou Richard – Yes

**MOTION CARRIED**

**2. 2020032621**

**Respondent:**

**License Status: - ACTIVE**

**First Licensed: 4/3/2006**

**License Expiration: 4/30/2022**

**Disciplinary History: 2011 Consent Order**

**Summary:** The Complainant stated that the Respondent's salesperson came to their home in July 2018 to attempt to sell a security system to them. The Complainant stated that she was told there was no contract, that they could cancel services at any time, and that the cost of the equipment was \$540. The Complainant stated that they later discovered the cost of the equipment was \$910, that they entered a 5 year service contract, and a 5 year contract for the equipment. The Complainant stated that her husband signed the salesman's phone electronically, but stated that she never received a copy of the contract. The Complainant stated that she located a digital copy of the contract in her email during the investigation into this matter.

The Respondent stated that its records show the Complainant's husband signed the 60 month contract with service and equipment. The Respondent stated that the Complainant's husband completed a telephonic Pre-Installation Survey which explained the offer and the terms and conditions of the agreement. The Respondent stated that the Complainant's husband represented that he understood the terms, that the representative did not make any promises or commitments which were not in the agreement, and that the Complainant's husband understood the monthly fee.

It appears that the Complainant did receive a digital copy of the contract upon execution and that the Respondent explained the terms of the agreement to the Complainant's husband. The Respondent has agreed to reduce the service fee by 40% per month as a gesture of good faith.

**Recommendation: Close.**

**BOARD DECISION:** Motion was made by board member Fraker to concur with recommendation of counsel. Motion was seconded by board member Cockroft.

**Roll call:**

Scott Cockroft – Yes

Doug Fraker – Yes

Keith Harvey - Yes

Lou Richard – Yes

**MOTION CARRIED**

**3. 2020039781**

**Respondent:**

**License Status: - ACTIVE**

**First Licensed: 1/13/2015**

**License Expiration: 1/31/2021**

**Disciplinary History: 2017 Consent Order; case 2020034771: also on this report**

**Summary:** The Complainant stated that his father entered into a contract with the Respondent in September 2019 under the misrepresentation that the Respondent was with the father's current alarm provider. The Complainant stated that his father has been permanently disabled since 2010 and that the Complainant handles the majority of his father's business affairs. The Complainant stated that he was unable to provide his father complete advice over the phone and that the salesman represented to the Complainant that he was from his father's current alarm company. The Complainant stated that his mother tried to cancel the service in September 2019, but that they received a bill for service in April or May 2020.

The Respondent stated that it reviewed the pre and post-installation interviews with the father and that he verbally agreed that the Respondent was not affiliated with his current alarm company. The Respondent provided the recording of phone call, which confirmed this. The Respondent also stated that to the extent that the Complainant could provide proof of a power of attorney or other caretaking capacity for his father, the Respondent would reconsider the contract. The Respondent then contacted the Complainant and has agreed to terminate the contract with the Complainant's father.

**Recommendation: Close.**

**BOARD DECISION:** Motion was made by board member Cockroft to concur with recommendation of counsel. Motion was seconded by board member Richard.

**Roll call:**

Scott Cockroft – Yes

Doug Fraker – Yes

Keith Harvey - Yes

Lou Richard – Yes

**MOTION CARRIED****4. 2020034771****Respondent:****License Status: - ACTIVE****First Licensed: 1/13/2015****License Expiration: 1/31/2021****Disciplinary History: 2017 Consent Order; case 2020039781: also on this report**

**Summary:** The Board received a complaint against the Respondent stating that it engaged in deceptive sales practices. The complaint provided the name and contact information for four individuals who had all previously been the clients of an alarm company but affiliated with Respondent. The complaint stated that the clients were all informed that either the Respondent's representative was sent by their alarm company, that their alarm company was going out of business, that Respondent was buying out their alarm company, and/or that their current alarm system contract was expired and their alarm company sent them to update their system. The complaint appeared to have been made by these individuals' former alarm company after it had collected forms from them containing these allegations.

The Respondent provided recorded phone calls with each of the clients where the Respondent's representative asked the clients: "Do you understand that [your former alarm company] is in no way affiliated with, partnering with, merging, being purchased, or taken over by nor is a sister company of [Respondent]?" Each client answered affirmatively. The Respondent also provided written contracts for three of the four clients which specifically stated: "I understand that [Respondent's Representative] is not affiliated with and is not a representative of my current alarm monitoring company;" and "I acknowledge and agree that the representative at no time stated or implied that [former alarm company] has gone or is going out of business." The fourth contract did not specifically name the former alarm company, but contained similar affirmations. The Respondent's President of Sales interceded into our investigation and did not want our investigator to speak to the representative who worked with these clients as he stated the documentation provided should be sufficient. Further, he did not think it was necessary to provide a written, notarized statement from the company as he stated they had complied in sending the documents to us.

The clients named in the complaint declined to assist our investigator or provide any statements on record or in writing regarding this case. Although some of them told the investigator that the Respondent's representative had made the alleged statements indicated in the forms provided in the Complaint, none would cooperate fully and make a written statement containing this information.

Based on the information and documentation obtained, it appears that the Respondent's representative(s) may have orally represented things to these clients that would constitute improper contact with clients. However, these alleged statements were directly denied in writing and the phone conversations by these clients. Additionally, as these clients would not provide a further written statement to us regarding what the Respondent's representative said to them, all we truly have is documentation from these clients' former alarm company alleging its competitor improperly took its clients rebuffed by recorded calls and contracts between these clients and the Respondent that appear to disprove that allegation.

**Recommendation: Letter of Warning.**

**BOARD DECISION:** Motion was made by board member Cockroft to concur with recommendation of counsel. Motion was seconded by board member Fraker.

**Roll call:**

Scott Cockroft – Yes

Doug Fraker – Yes

Keith Harvey - Yes

Lou Richard – Yes

**MOTION CARRIED**

**5. 2020042501**

**Respondent:**

**License Status: - ACTIVE**

**First Licensed: 8/11/2017**

**License Expiration: 8/31/2021**

**Disciplinary History: None**

**Summary:** Complainant is a customer service specialist for Respondent, who is a national company. The Complainant alleged that as a customer service representative, he had access to client's information in Tennessee while not properly being registered with the Board.

Respondent responded to this Complaint by stating it undertook an internal audit of its procedures. Respondent stated that it had outsourced employee registration to a third-party and that apparently, the Complainant did not submit all of the necessary paperwork and information to the third-party to complete registration with the Board. The Respondent admitted to finding one other employee who had access to client information in Tennessee before being properly registered over the course of the past year.

The Respondent stated these individuals had minimal contact with clients in Tennessee and their information, however, it has taken steps and implemented its own procedures to correct this from occurring again. The Complainant is no longer employed by the Respondent and disputed that he had minimal contacts and access to client information. It is the Respondent's responsibility to



make sure its employees are properly registered before putting them into situations where they will have access to private client information, however, the Complainant also bears some responsibility here as he did not appropriately follow the Respondent's procedures to become registered.

**Recommendation: Letter of Warning OR authorize formal and send a Consent Order with a civil penalty in the amount of \$1,000.00 for having unregistered employees with access to client information in violation of T.C.A. § 62-32-312(a).**

**BOARD DECISION:** Motion was made by board member Fraker to issue a Letter of Warning to Respondent regarding unregistered employees having access to client information in violation of T.C.A. § 62-32-312(a). Motion was seconded by board member Cockroft.

**Roll call:**

Scott Cockroft – Yes

Doug Fraker – Yes

Keith Harvey - Yes

Lou Richard – Yes

**MOTION CARRIED**

**Administrative Matters:** - Cody Vest, Executive Director

**Monthly Report** – June & July

There is one (1) open vacancy on the board. Monthly meeting with Ashley Thomas and Jessie Gentry on June 10, 2020, & July 15, 2020. Monthly financial meeting with Asst. Commissioner on June 10, 2020, & July 15, 2020.

**Budget Review** – July 2019 up to June 2020

Total ending balance is positive \$43,610.

**Criminal History Review**

- Jami Langston – Registered Employee

**Board Decision:** Motion was made by board member Cockroft to postpone review of application until 10-22-20, to review a letter of recommendation from QA. Motion was seconded by board member Fraker.

**Roll call:**

Scott Cockroft – Yes

Doug Fraker – Yes

Keith Harvey - Yes

Lou Richard – Yes

**MOTION CARRIED MOTION CARRIED**

**New Business:** All regulatory boards will go over on how to do formal hearings by webex. ADP dates will be set up for everyone to attend the webex training. The training is not mandatory, but it is advised that each member does attend a meeting to understand how the formal hearings will work.

**Board Meetings:** As of now we are still having WebEx meetings. Formal hearings- Depending on the judge they may request the formal hearings to be done by WebEx, but they could also request that they be done in person.

**Legislation Update:** Law changes- Waiting to see when the legislation team would like recommendations for any changes. Possibly 2021, we could send in recommendations. If member has any recommendations send them to Cody so we have everything ready when they ask for recommendations. Sunset hearing has been pushed from June 2020, to June 2021, due to covid. Once they go back into session, they may review the bill, but if they do not the board would cease to exist as of June 2021.

**Education Review:** No education review was received.

Next Alarm Board meeting is set for October 22, 2020.

Motion was made by Chair Harvey to adjourn the August 20, meeting of the Tennessee Alarm Systems Contractors Board at 10:02 A.M.

**Roll call:**

Scott Cockroft – Yes

Doug Fraker – Yes

Lou Richard - Yes

**MOTION CARRIED**

Meeting adjourned.

Minutes prepared by Shauna Balaszi-Williams, Administrative Assistant RB3