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DEPT OF COMMERCE AND INSURANCE
LEGAL OFFICE

STATE OF TENNESSEE
BEFORE THE COMMISSIONER OF COMMERCE AND INSURANCE

IN THE MATTER OF:

ANGIE D. JONES

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TID Order No. 13-095

CONSENT ORDER

The Insurance Division, of the Tennessee Department of Commerce and Insurance ("Division"), by and through counsel, and Angie D. Jones ("Jones") hereby stipulate and agree, subject to the approval of the Commissioner of the Tennessee Department of Commerce and Insurance ("Commissioner"), as follows:

GENERAL STIPULATIONS

1. It is expressly understood that this Consent Order is subject to the Commissioner's acceptance and has no force and effect until such acceptance is evidenced by the entry of the Commissioner.
2. This Consent Order is executed by Jones for the purpose of avoiding further administrative action with respect to this cause. Furthermore, should this Consent Order not be accepted by the Commissioner, it is agreed that presentation to and consideration of this Consent Order by the Commissioner shall not unfairly or illegally prejudice the Commissioner from further participation or resolution of these proceedings.

3. Jones fully understands that this Consent Order will in no way preclude additional proceedings by the Commissioner for acts and/or omissions not specifically addressed in this Consent Order or for facts and/or omissions that do not arise from the facts or transactions herein addressed.

4. Jones fully understands that this Consent Order will in no way preclude proceedings by state government representatives, other than the Commissioner, for violations of Title 56 of the Tennessee Code Annotated addressed specifically in this Consent Order, against Jones for violations of law under statutes, rules, or regulations of the State of Tennessee, which may arise out of the facts, acts, or omissions contained in the Findings of Fact and Conclusions of Law stated herein, or which arise as a result of the execution of this Consent Order by Jones.

5. Jones expressly waives all further procedural steps, and expressly waives rights to seek judicial review of or to otherwise challenge or contest the validity of this Consent Order, the stipulations and imposition of discipline contained herein, and the consideration and entry of said Consent Order by the Commissioner.

AUTHORITY AND JURISDICTION

6. The Commissioner has jurisdiction over this matter pursuant to the Tennessee Insurance Law ("Law"), Title 56 of the Tennessee Code Annotated, specifically Tenn. Code Ann. §§ 56-1-101, 56-1-202, 56-2-305 and 56-6-112. The Law places on the Commissioner the responsibility of the administration of its provisions.

PARTIES

7. The Division is the lawful agent through which the Commissioner administers the Law and is authorized to bring this action for the protection of the public.

8. Jones is a citizen and resident of the State of Tennessee whose address of record is: 5518 Old Highway 11E, Morristown, Tennessee 37814. The Division granted Jones insurance producer license number 0948211 on May 2, 2006.

FINDINGS OF FACT

9. On or about January 25, 2012, the National Association of Professional Agents ("NAPA") contacted Blue Cross Blue Shield of Tennessee ("BCBST") to notify the company that Jones, an agent under their appointment, was alleged to have fabricated several errors and omissions ("E&O") insurance policies submitted with BCBST.

10. BCBST conducted an independent investigation of the allegations and found that on three (3) separate occasions, Jones submitted fraudulent documents portraying she had E&O coverage, as required for appointment with BCBST, when in fact she had not purchased nor had been issued such policies. The fraudulent policies are alleged to be altered policies issued by NAPA to other insurance producers.

11. The following fraudulent documents were transmitted to BCBST by Jones representing that she had E&O coverage that was in fact never issued:

- (A) Certificate of Liability Insurance representing E&O coverage for One Million Dollars (\$1,000,000) issued to Angie Jones from NAPA Benefits Services for effective coverage from January 1, 2010 to January 1, 2011, policy number AEO30137.

- (B) Certificate of Liability Coverage representing renewal of the above-mentioned policy, number AEO30137, for the effective dates of January 1, 2011 to January 1, 2012.
- (C) Certificate of Liability Coverage representing renewal of the above-mentioned policy, number AEO30137, for the effective dates of January 1, 2012 to January 1, 2013.

12. Jones recalls purchasing both the 2011 and 2012 renewal policies online from NAPA, but does not have the appropriate documentation evidencing these purchases.

CONCLUSIONS OF LAW

13. Tenn. Code Ann. § 56-6-112(a) provides that “[t]he commissioner may place on probation, suspend, revoke, or refuse to issue or renew a license issued under this part and/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) Intentionally misrepresenting the terms of an actual or proposed insurance contract or application for insurance;

....

- (7) Having admitted or been found to have committed any insurance unfair trade practice or fraud; [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[.]

....

14. Tenn. Code Ann. § 56-68-104(1)(A), provides that it is an unfair trade practice in the business of insurance to make, issue, circulate or cause to made, issued, or circulated any estimate, illustration, circular or statement, sales presentation, omission, or comparison that misrepresents the benefits, advantages, conditions, or terms of any policy.

15. Based upon the Findings of Fact stated above and the Conclusions of Law contained herein, the Commissioner considers the actions of Jones to be in violation of Tenn. Code Ann. § 56-6-112(a)(4), (7), and (8), for providing certificates of liability that fraudulently represented the existence of E&O coverage on three (3) separate occasions. In addition, Jones' behavior constitutes an unfair trade practice in violation of Tenn. Code Ann. § 56-68-104(1)(A). Such facts provide grounds for the revocation of Jones' insurance producer license, number 09848211, and the imposition of a One Thousand Dollar (\$1,000) civil penalty for each violation in accordance with Tenn. Code Ann. §§ 56-6-112(a) and (g).

16. Jones neither admits nor denies the Findings of Fact stated in paragraphs 9 through 12 above, but understands that such findings, if true, could subject her to sanctions specified in Tenn. Code Ann. §§ 56-6-112(a) and (g). In order to avoid any further expenses or costs associated with litigating this matter in any administrative or judicial proceedings, Jones hereby acknowledges the Commissioner's authority to administer the statutes cited herein, concedes that the Commissioner's interpretation of the statutes cited in the Conclusions of Law are reasonable and enforceable, and agrees to the entry of this Consent Order including each of the sanctions ordered by the Commissioner.

ORDER

NOW, THEREFORE, on the basis of the foregoing, and Jones' waiver of the right to a hearing and appeal under the Law and the Uniform Administrative Procedures Act, Tenn. Code Ann. §§ 4-5-101 to 4-5-404 (2011), and Jones' admission of jurisdiction of the Commissioner, the Commissioner finds that Jones, for the purpose of settling this matter admits to the Conclusions of Law, agrees to the entry of this Order and agrees that this Order is in the public

interest, necessary for the protection of consumers and consistent with the purposes fairly intended by the policy and provisions of the Law.

IT IS ORDERED, pursuant to Tenn. Code Ann. §§ 56-6-112(a) and (g), that:

1. Insurance Producer License, number 0948211, issued to Jones, is hereby **REVOKED**, beginning immediately upon final execution of this agreement.

IT IS FURTHER ORDERED, pursuant to Tenn. Code Ann. § 56-6-112(g), that Jones:

1. Pay **CIVIL PENALTIES** in the amount of One Thousand Dollars (\$1,000). Payment will be made within two (2) weeks of the date this agreement is executed by the Commissioner, and payment shall be mailed to:

**State of Tennessee
Department of Commerce and Insurance
Legal Office, Attn: Lauren Dantche
Davy Crockett Tower
500 James Robertson Parkway
Nashville, Tennessee 37243**

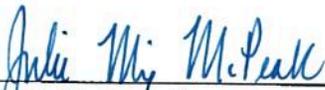
2. In addition, it is further **ORDERED** that all persons in any way assisting, aiding, or helping Jones in any of the aforementioned violations of Tenn. Code Ann. §§ 56-6-112 and 56-8-104, shall **CEASE AND DESIST** from all such activities in violation of Law.

IT IS ORDERED that this Consent Order represents the complete and final resolution of, and discharge with respect to all administrative and civil, claims, demands, actions and causes of action by the Commissioner against Jones for violations of Tenn. Code Ann. §§ 56-6-112 and 56-8-104 alleged by the Division to have occurred with respect to the transactions involving the above referenced victims and the facts contained herein.

This Consent Order is in the public interest and in the best interests of the parties, and represents a compromise and settlement of the controversy between the parties, and is for

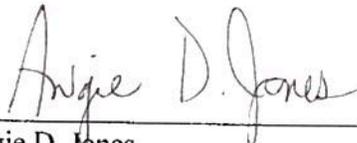
settlement purposes only. By the signatures affixed below, Jones affirmatively states she has freely agreed to the entry of this Consent Order, that she waives the right to a hearing on the matters underlying this Consent Order and to a review of the Findings of Fact and Conclusions of Law contained herein, and that no threats or promises of any kind have been made to her by the Commissioner, the Division, or any agent or representative thereof. The parties, by signing this Consent Order, affirmatively state their agreement to be bound by the terms of this Consent Order and aver that no promises or offers relating to the circumstances described herein, other than the terms of the settlement as set forth in this Consent Order, are binding upon them.

ENTERED this 21st day of April, 2014.

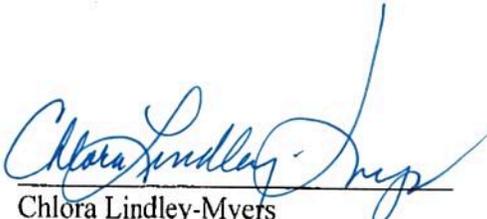


Julie Mix McPeak, Commissioner
Department of Commerce and Insurance

APPROVED FOR ENTRY:



Angie D. Jones



Chlora Lindley-Myers
Deputy Commissioner
Department of Commerce and Insurance



Al Holifield, Counsel for Angie Jones

Respectfully Submitted,

Nancy S. Jones,
Deputy Commissioner and General Counsel

By: 

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