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DEPT. OF COMMERCE AND INSURANCE
LEGAL OFFICE

STATE OF TENNESSEE
BEFORE THE COMMISSIONER OF COMMERCE AND INSURANCE

TENNESSEE INSURANCE DIVISION,
Petitioner,

vs.

STEPHANIE BUCY,
Respondent.

Order No.: 17-024

CONSENT ORDER

The Insurance Division of the Department of Commerce and Insurance ("Division") and Stephanie Bucy ("Respondent") hereby stipulate and agree to the entry of this Consent Order 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 an order by the Commissioner.
2. This Consent Order is executed by the Respondent 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. Respondent fully understands that this Consent Order will in no way preclude additional proceedings by the Commissioner against Respondent for acts or omissions not specifically addressed in this Consent Order or for facts and/or omissions that do not arise from the facts or transactions addressed herein.

4. Respondent fully understands that this Consent Order will in no way preclude proceedings by state government representatives, other than the Commissioner, for violations of the law addressed specifically in this Consent Order, against the Respondent 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 may arise as a result of the execution of this Consent Order by the Respondent.

5. Respondent expressly waives all further procedural steps, and expressly waives all 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 Tennessee Code Annotated ("Tenn. Code Ann."), 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 people.

8. Respondent is a licensed insurance producer, license number 2007629, which expires on September 30, 2018.

9. Upon information and belief, and records on file with the Division, Respondent is a Tennessee resident residing at 1114 Washington Avenue, Etowah, Tennessee 37331.

FINDINGS OF FACT

10. From on or about June of 2010, to on or about January 7, 2014, Respondent was employed as an associate insurance agent by a Nationwide Mutual Insurance Agency (“Nationwide”), the Brian Norton Agency (“Norton Agency”), owned by Brian Norton, located in Cleveland, Tennessee. At all times relevant, Respondent sold agribusiness insurance products.

11. On or about January 7, 2014, Respondent was terminated by the Norton Agency for insubordination.

12. Respondent’s employer, the Norton Agency, requested Respondent to return company files, forms, and equipment within ten (10) days of the date of termination. Respondent failed to do so which was in breach of the Associate Agent Contract with the Norton Agency which Respondent, signed and dated June 30, 2010, agreeing to return to the Norton Agency, in good condition, the manuals, forms, records and other materials and supplies provided by the Norton Agency in the conduct of insurance business.

13. Subsequent to termination at the Norton Agency, Respondent stated that she began performing “service” work for the Thomas A. Weaver Agency (“Weaver Agency”), a Nationwide agency located in Fayetteville, Arkansas and owned by Thomas A. Weaver, a Nationwide agent in Arkansas.

14. On or about February of 2014, after Respondent’s termination from the Norton Agency, Respondent contacted numerous customers of the Norton Agency and informed them of

her departure from the Norton Agency and provided information to the customers regarding how to keep Respondent as their agent by transferring their policies from the Norton Agency and included information regarding a Transfer Request Confirmation form, that if signed, would facilitate the transfer of the policy to the Weaver Agency.

15. Two (2) of the Norton Agency customers, Richard Cornwell and Robert Fugitt, whose policies were transferred by Respondent, did not request or approve of the transfer and did not give anyone permission to sign any document to facilitate the transfer.

16. The Transfer Request Confirmation forms used to facilitate the transfers of the policies for Mr. Cornwell and Mr. Fugitt, from the Norton Agency to the Weaver Agency, were all signed by someone other than the customer.

17. The signed Transfer Request Confirmation forms were transferred to the Weaver Agency by fax from the Respondent's home office in February of 2014.

18. On or about May 14, 2014, customer Richard Cornwell discovered that his Nationwide policy had been transferred to the Weaver Agency and subsequently transferred the policy back to the Norton Agency.

19. On or about May 2, 2014, customer Robert Fugitt discovered that his Nationwide policy had been transferred to the Weaver Agency and subsequently cancelled the policy.

CONCLUSIONS OF LAW

1. At all times relevant hereto, Tenn. Code Ann. § 56-6-112(a) has provided that the Commissioner may place on probation, suspend, revoke, or refuse to issue or renew a license issued under Title 56, Chapter 6, Part 1, or may levy a civil penalty for any one (1) or more of the following reasons:

(8) Using fraudulent, coercive, or dishonest practices, or demonstrating incompetence, untrustworthiness or financial irresponsibility in the conduct of business in this state or elsewhere; [and]

(10) Forging another's name to an application for insurance or to any document related to an insurance transaction

2. Additionally, Tenn. Code Ann. § 56-6-112(g) provides:

If . . . the commissioner finds that any person required to be licensed, permitted, or authorized by the division of insurance pursuant to this chapter has violated any statute, rule or order, the commissioner may, at the commissioner's discretion, order:

(1) The person to cease and desist from engaging in the act or practice giving rise to the violation.

(2) Payment of a monetary penalty of not more than one thousand dollars (\$1,000) for each violation, but not to exceed an aggregate penalty of one hundred thousand dollars (\$100,000). This subdivision (g)(2) shall not apply where a statute or rule specifically provides for other civil penalties for the violation. For purposes of this subdivision (g)(2), each day of continued violation shall constitute a separate violation; and

(3) The suspension or revocation of the person's license.

ORDER

NOW, THEREFORE, on the basis of the foregoing, and the waiver by the Respondent of the right to a hearing and appeal under the Tennessee Insurance Law and the Tennessee Uniform Administrative Procedures Act, Tenn. Code Ann. §§ 4-5-101 *et seq.*, and the admission by the Respondent of jurisdiction of the Commissioner, the Commissioner finds that Respondent, for the purpose of settling this matter, admits the Findings of Fact and Conclusions of Law herein, has agreed to the entry of this Order, and that the following Order is appropriate, and is in the public interest.

IT IS ORDERED, pursuant to Tenn. Code Ann. §§ 56-2-305 and 56-6-112, that:

1. The Respondent's Insurance Producer License, number 2007629, be **SUSPENDED FOR A PERIOD OF THREE (3) MONTHS** beginning on the date of final execution of this Order and ending three (3) months from the date of final execution of this Order;
2. Respondent shall **CEASE AND DESIST** from engaging in the sale, solicitation or negotiation of insurance during the time of the Respondent's license suspension;
3. Respondent shall **PAY A CIVIL PENALTY** to the State of Tennessee in the total amount of two thousand dollars (\$2,000). An initial payment of two hundred fifty dollars (\$250) is due upon entry of this Order. The signed Order along with the two hundred fifty dollars (\$250) payment and all subsequent payments shall be mailed to:

**State of Tennessee
Department of Commerce and Insurance
Legal Division, 8th Floor
Attn: Jenny Taylor, Attorney
Davy Crockett Tower
500 James Robertson Parkway
Nashville, Tennessee 37243**

4. The remaining balance of the **CIVIL PENALTY**, one thousand seven hundred and fifty dollars (\$1,750), shall be paid within one (1) year of the date of the final execution of this Consent Order;

5. The failure to timely make payment under the terms of this agreed Consent Order will result in Respondent's insurance producer license, 2007629, being automatically **SUSPENDED** until such time that full payment has been made and may result in additional disciplinary action being taken against Respondent including, but not necessarily limited to, the assessment of additional civil monetary penalties;

6. Failure to timely make any payment shall render any remaining balance under this Consent Order immediately due and collectible.

IT IS ORDERED that 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, the Respondent affirmatively states that Respondent has freely agreed to the entry of this Order, that Respondent waives the right to a hearing on the matters underlying this 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 Respondent by the Commissioner, the Division, or any agent or representative thereof. The parties, by signing this Order, affirmatively state their agreement to be bound by the terms of this Order and aver that no promises or offers relating to the circumstances described herein, other than the terms of settlement as set forth in this Order, are binding upon them.


IT IS SO ORDERED.

ENTERED this 31st day of August, 2017.

Julie Mix McPeak
Julie Mix McPeak, Commissioner
Department of Commerce and Insurance

APPROVED FOR ENTRY:


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Etowah, Tennessee 37331


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