



**BEFORE THE COMMISSIONER OF COMMERCE AND INSURANCE
FOR THE STATE OF TENNESSEE**

TENNESSEE INSURANCE DIVISION,)
)
Petitioner,)
)
v.)
)
JASON CRAIG CANNON,)
)
Respondent.)

TID No.: 20-025
APD No.: 12.01201251J

AGREED ORDER

The Insurance Division of the Tennessee Department of Commerce and Insurance (“Division”) and Jason Craig Cannon (“Respondent”) hereby stipulate and agree to the entry and execution of this Agreed 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 Agreed Order is subject to the Commissioner’s acceptance and has no force and effect until such acceptance is evidenced by the entry and execution of an order by the Commissioner.
2. This Agreed Order is executed by the parties for the purpose of avoiding further administrative action with respect to this cause. Furthermore, should this Agreed Order not be accepted by the Commissioner, it is agreed that presentation to and consideration of this Agreed Order by the Commissioner shall not unfairly or illegally prejudice the Commissioner from further participation or resolution of these proceedings.

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

4. The Respondent fully understands that this Agreed Order will in no way preclude proceedings by state government representatives, other than the Commissioner, for alleged violations of the law addressed specifically in this Agreed Order, 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 entry and execution of this Agreed Order by the Respondent.

5. The 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 Agreed Order, the stipulations and imposition of discipline contained herein, and the consideration and entry and execution of said Agreed Order by the Commissioner.

AUTHORITY AND JURISDICTION

6. The Commissioner has jurisdiction of this action pursuant to the Tennessee insurance law, Title 56 of the Tennessee Code Annotated (“Tenn. Code Ann.”), specifically Tenn. Code Ann. §§ 56-1-103 and 56-6-112 (the “Law”). The Division is the lawful agent through which the Commissioner discharges this responsibility.

PARTIES

7. The Commissioner administers the Law through the Division and authorizes the Division to bring this action for the protection of the public.

8. The Respondent was a licensee of the Division from September 7, 2015, to February 29, 2020, and he was, at all times relevant, responsible for being compliant with the insurance laws and regulations of the State of Tennessee.

9. The Respondent is a resident of Mississippi.

10. The Respondent held Tennessee non-resident insurance producer license number 2312504.

11. The Respondent was assigned National Insurance Producer Number 8804032 by the National Insurance Producer Registry (“NIPR”), a service of the National Association of Insurance Commissioners (“NAIC”).

FINDINGS OF FACT

12. On or about March 28, 2017, the Division’s Agent Licensing Section received notice from the Respondent’s former employer, Chesapeake Life Insurance Company (“Chesapeake”), that the Respondent was terminated for cause on or about March 21, 2017.

13. Chesapeake’s notice was relayed to the Financial Services Investigations Unit (“FSIU”) and, as a result, the Division entered Inquisitorial Order 17-081 on October 6, 2017, initiating an investigation into the Respondent’s conduct.

14. Chesapeake’s investigation into the Respondent’s conduct indicated that he may have placed coverage on four (4) Tennessee residents without their knowledge or authorization.

15. At the conclusion of FSIU’s investigation, there was no evidence that these four (4) individuals were the victims of any fraudulent activity by the Respondent.

16. During FSIU’s investigation into the Respondent’s misconduct, it was discovered that multiple state insurance regulators had taken administrative action against the Respondent for fraudulent conduct in those states.

17. On or about November 8, 2017, the Respondent's Alabama non-resident insurance producer license was suspended by the Alabama Department of Insurance.

18. On or about February 20, 2018, the Respondent submitted an insurance license renewal application to the Division. This application asks: "Have you ever been named or involved as a party in an administrative proceeding, including a FINRA sanction or arbitration proceeding regarding any professional or occupational license or registration, which has not been previously reported to this insurance department?" In response, the Respondent typed "no." The Respondent knew that this statement was false.

19. On or about April 4, 2018, the Respondent was fined by the Louisiana Department of Insurance. The Respondent has never disclosed this administrative action to the Division.

20. On or about July 3, 2019, the Respondent's Michigan non-resident insurance producer license was revoked by the Michigan Department of Insurance and Financial Services. The Respondent has never disclosed this administrative action to the Division.

21. On or about November 14, 2019, the Respondent was again fined by the Louisiana Department of Insurance. The Respondent has never disclosed this administrative action to the Division.

CONCLUSIONS OF LAW

22. At all times relevant hereto, Tenn. Code Ann. § 56-6-112 has provided that:

- (a) The [C]ommissioner may place on probation, suspend, revoke, or refuse to issue or renew a license issued under [T]itle 56, [P]art 6, [C]hapter 1, or issue a civil penalty for any one (1) or more of the following causes:
 - (1) Providing incorrect, misleading, incomplete or materially untrue information in the license application;
 - (2) Violating any law, rule, regulation, subpoena or order of the [C]ommissioner or of another state's commissioner;

...

- (9) Having an insurance producer license, or its equivalent, denied, suspended or revoked in any other state, province, district or territory;

...

- (e) The [C]ommissioner shall retain the authority to enforce this part and impose any penalty or remedy authorized by this part and this title against any person who is under investigation for or charged with a violation of this part or this title, even if the person's license has been surrendered or has lapsed by operation of law.

...

- (g) If . . . the [C]ommissioner 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 [C]ommissioner may, at the [C]ommissioner'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.

- (h) In determining the amount of penalty to assess under this section, the [C]ommissioner shall consider:

- (1) Whether the person could reasonably have interpreted such person's actions to be in compliance with the obligations required by a statute, rule or order;
- (2) Whether the amount imposed will be a substantial economic deterrent to the violator;
- (3) The circumstances leading to the violation;

- (4) The severity of the violation and the risk of harm to the public;
- (5) The economic benefits gained by the violator as a result of noncompliance;
- (6) The interest of the public; and
- (7) The person's efforts to cure the violation.

23. At all times relevant, Tenn. Code Ann. § 56-6-119(a) has provided that:

A producer shall report to the [C]ommissioner any administrative action taken against the producer in another jurisdiction or by another governmental agency in this state within thirty (30) days of the final disposition of the matter. This report shall include a copy of any order entered or other relevant legal documents.

ORDER

NOW, THEREFORE, on the basis of the foregoing, including the Respondent's waiver of the right to a hearing and appeal under the Law and the Uniform Administrative Procedures Act, Tenn. Code Ann. §§ 4-5-101 *et seq.*, and the Respondent's admission of jurisdiction of the Commissioner, the Commissioner finds that the Respondent, for the purpose of settling this matter, admits the Findings of Fact and agrees to the entry and execution of this Order.

IT IS ORDERED, pursuant to Tenn. Code Ann. § 56-6-112 of the Law, that:

1. The Respondent shall pay a total civil monetary penalty of **ONE THOUSAND DOLLARS (\$1,000)**. Payment shall be made within thirty (30) days of the date this agreement is entered and executed by the Commissioner. Payment shall be mailed to:

**State of Tennessee
Department of Commerce and Insurance
Attn: Vishan Ramcharan, Legal Division
Davy Crockett Tower
500 James Robertson Parkway
Nashville, Tennessee 37243**

2. This Agreed 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 the Respondent for violations of the Law alleged by or currently known by the Division to have occurred with respect to the transactions involving the above-referenced facts contained herein.

3. This Agreed 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.

4. By the signatures affixed below, the Respondent affirmatively states he has freely agreed to the entry and execution of this Agreed Order, that the Respondent waives the right to a hearing on the matters underlying this Agreed Order or the enforcement of this Agreed 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 him by the Commissioner, the Division, or any agent or representative thereof.

5. The parties, by signing this Agreed Order, affirmatively state their agreement to be bound by the terms of this Agreed 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 Agreed Order, are binding upon them.

6. This Agreed Order may be executed in two (2) or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same document. The facsimile, email, or other electronically delivered signatures of the parties shall be deemed to constitute original signatures, and facsimile or electronic copies shall be deemed to constitute duplicate originals.

October

ENTERED AND EXECUTED ~~July-~~ 2, 2020.

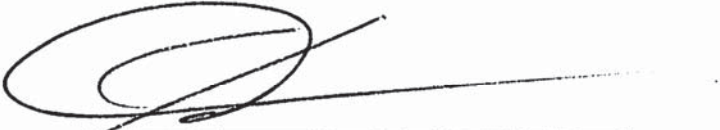


Hodgen Manda (Oct 2, 2020 04:36 CDT)

Hodgen Manda, Commissioner
Department of Commerce and Insurance

TN SOS-APD Fri, Oct 02, 2020 10:50 AM : 8 of 9 pages received

APPROVED FOR ENTRY AND EXECUTION:




Jason Craig Cannon
Respondent

Vishan J. Ramcharan

Vishan J. Ramcharan (Sep 29, 2020 09:56 CDT)

Vishan J. Ramcharan, #34403
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Vishan.ramcharan@tn.gov

Filed in the Administrative Procedures Division, Office of the Secretary of State, this the
~~5th~~ day of ~~September~~, 2020.
2 October



Stephanie Shackelford, Director
Administrative Procedures Division