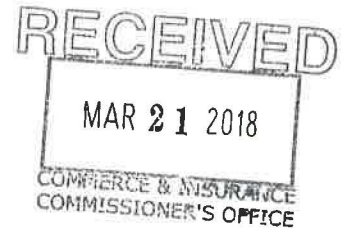




State of Tennessee
Department of State
Administrative Procedures Division
312 Rosa L. Parks Avenue
8th Floor, William R. Snodgrass Tower
Nashville, Tennessee 37243-1102
Phone: (615) 741-7008/Fax: (615) 741-4472



March 20, 2018

Commissioner Julie Mix McPeak
Tennessee Department of Commerce &
Insurance
Office of Legal Counsel
12th Floor, Davy Crockett Tower
500 James Robertson Parkway
Nashville, Tennessee 37243-5065

Charles S. Herrell, Esq.
Assistant General Counsel
TN Department of Commerce & Insurance
General Civil Division
8th Floor, Davy Crockett Tower
500 James Robertson Parkway
Nashville, TN 37243

T. Scott Jones, Esq.
Law Offices of Banks & Jones
2125 Middlebrook Pike
Knoxville, TN 37921-5855

RE: In the Matter of: Dallas Edwin Love

Docket No. 12.01-146447J

Enclosed is an Initial Order rendered in connection with the above-styled case.

Administrative Procedures Division
Tennessee Department of State

/aem
Enclosure



**BEFORE THE COMMISSIONER OF THE TENNESSEE
DEPARTMENT OF COMMERCE AND INSURANCE**

IN THE MATTER OF:

DALLAS EDWIN LOVE

DOCKET NO. 12.01-146447J

NOTICE

ATTACHED IS AN INITIAL ORDER RENDERED BY AN ADMINISTRATIVE JUDGE WITH THE ADMINISTRATIVE PROCEDURES DIVISION.

THE INITIAL ORDER IS NOT A FINAL ORDER BUT SHALL BECOME A FINAL ORDER UNLESS:

1. THE ENROLLEE FILES A WRITTEN APPEAL, OR EITHER PARTY FILES A PETITION FOR RECONSIDERATION WITH THE ADMINISTRATIVE PROCEDURES DIVISION NO LATER THAN **April 4, 2018**.

YOU MUST FILE THE APPEAL, PETITION FOR RECONSIDERATION WITH THE ADMINISTRATIVE PROCEDURES DIVISION. THE ADDRESS OF THE ADMINISTRATIVE PROCEDURES DIVISION IS:

SECRETARY OF STATE
ADMINISTRATIVE PROCEDURES DIVISION
WILLIAM R. SNODGRASS TOWER
312 ROSA PARKS AVENUE, 8th FLOOR
NASHVILLE, TENNESSEE 37243-1102

IF YOU HAVE ANY FURTHER QUESTIONS, PLEASE CALL THE ADMINISTRATIVE PROCEDURES DIVISION, **615/741-7008 OR 741-5042, FAX 615/741-4472**. PLEASE CONSULT APPENDIX A AFFIXED TO THE INITIAL ORDER FOR NOTICE OF APPEAL PROCEDURES.

**BEFORE THE COMMISSIONER OF THE
TENNESSEE DEPARTMENT OF COMMERCE AND INSURANCE**

IN THE MATTER OF:

**TENNESSEE INSURANCE DIVISION,
Petitioner,**

v.

**DALLAS E. LOVE,
Respondent.**

DOCKET NO: 12.01-146447J

TID NO: 17-017

INITIAL ORDER

This contested case was heard *de novo* on the December 20, 2017, by the Honorable Elizabeth Cambron, Administrative Judge, sitting on behalf of the Commissioner (“Commissioner”) of the Department of Commerce and Insurance. The Petitioner, the Tennessee Insurance Division (“TID”) was represented by Charles S. Herrell, Assistant General Counsel. The Respondent, although represented by counsel, elected not to defend against the alleged violations of the Petitioner.

ENTRY OF DEFAULT

At the hearing, the Court noted that the Respondent was represented by attorney T. Scott Jones of Knoxville, Tennessee. Counsel for the Petitioner described to the Court a written communication from Mr. Jones that stated that the Respondent had elected not to appear or otherwise mount a defense, and further represented that this election was confirmed with a telephone call between the attorneys for the parties.

Notice of the proceedings and charges thus established to the satisfaction of the Court, the Petitioner was allowed to proceed on an uncontested basis. The Court considered the oral

Motion for Default Judgment by the Petitioner, found the Motion to be well taken, and granted the Motion pursuant to TENN. CODE ANN. § 4-5-309 and Rule 1360-04-01-.15 of the Uniform Rules of Procedure for the Hearing of Contested cases Before State Administrative Agencies.

Upon consideration of the pleadings, the testimony of witnesses both live and by affidavit, documentary evidence, and the entire record, the Court issues this Initial Order with Findings of Fact and Conclusions of Law as follows.

FINDINGS OF FACT

1. The Commissioner of the Department (“Commissioner”) has jurisdiction of this action pursuant to the Tennessee Insurance Law (the “Law”), Title 56 of the Tennessee Code Annotated. The Division is the lawful agent through which the Commissioner discharges this responsibility.

2. The Respondent is a citizen and resident of Tennessee, with a street address of 5809 Edmondson Lane, Knoxville, Tennessee 37918-7122.

3. At all relevant times, the Respondent was the holder of Tennessee Insurance Producer license number 2162748, which became active on or about August 29, 2012.

4. As a licensed Tennessee Insurance Producer, the Respondent is and was responsible for being compliant with the insurance laws, and regulations of the State of Tennessee.

5. On or about September 2, 2014, the Respondent was arrested on a charge of felony aggravated assault that arose from an incident that occurred at his home on August 5, 2014, in Knoxville, Tennessee.

6. The Respondent entered a guilty plea to the aggravated assault charge, a violation of TENN. CODE ANN. § 39-13-102 which is a class D felony, in Division II of the Knox County, Tennessee, Criminal Court on May 4, 2015.

7. On or about December 1, 2014, the Respondent submitted an application for renewal of his Tennessee Insurance Producer License and, in response to the question number two (2) "Have you ever been convicted of a felony, had judgment withheld or deferred, or are you currently charged with committing a felony which has not been previously reported to this insurance department?", the Respondent answered "No".

8. On or about November 22, 2016, the Respondent submitted an application for renewal of his Tennessee Insurance Producer License and, in response to the question number two (2) "Have you ever been convicted of a felony, had judgment withheld or deferred, or are you currently charged with committing a felony which has not been previously reported to this insurance department?", the Respondent answered "No".

9. On or about April 26, 2016, the State of Georgia denied the Respondent's application for licensure as a non-resident insurance producer, citing the Knox County felony conviction of July 28, 2015.

10. The Respondent failed to comply with the requirement of TENN. CODE ANN. 56-6-119(a) to report the administrative action taken by the state of Georgia to deny the renewal of his non-resident insurance producer license.

11. The Respondent failed to comply with the requirement of TENN. CODE ANN. 56-6-119(b) to report the proceedings in the Knox County Criminal Court that resulted in the Respondent's felony conviction.

CONCLUSIONS OF LAW

1. In accordance with TENN. COMP. R. & REGS. 1360-04-01-.02(7) and 1360-04-01-.15(3) the Division bears the burden of proving by a preponderance of the evidence that the facts alleged in the Notice of Hearing and Charges pertaining to the Respondent are true and that the issues therein should be resolved in its favor.

2. 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, Part 6, Chapter 1, or issue a civil penalty for any one (1) or more of the following reasons:

- (1) Providing incorrect, misleading, incomplete or materially untrue information in the license application;
- ...
- (6) Having been convicted of a felony:
- ...
- (9) Having an insurance producer license, or its equivalent, denied, suspended or revoked in any other state, province, district or territory[.]

3. The Division has shown by a preponderance of the evidence that the Respondent provided incorrect, misleading, incomplete, and materially untrue information on two separate license applications – one submitted on December 1, 2014, and one submitted on November 22, 2016.

4. The Division has shown by a preponderance of the evidence that the Respondent was convicted of a Class D felony on July 28, 2015.

5. The Division has shown by a preponderance of the evidence that the Respondent's Georgia Non-Resident Insurance Producer License application was denied.

6. For all violations occurring on or after July 1, 2011, TENN. CODE ANN. § 56-6-112

states:

...

(e) The commissioner 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 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.

(h) In determining the amount of penalty to assess under this section, the commissioner 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.

7. TENN. CODE ANN. § 56-6-119 states:

- (a) A producer shall report to the commissioner any administrative action taken against the producer in another jurisdiction ... 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.
- (b) Within thirty (30) days of the initial pretrial hearing date, a producer shall report to the commissioner any criminal prosecution of the producer taken in any jurisdiction. The report shall include a copy of the initial complaint filed, the order resulting from the hearing and any other relevant legal documents.

JUDGMENT

WHEREFORE, it is hereby **ORDERED, ADJUDGED, AND DECREED** as follows:

1. Respondent Dallas E. Love shall fully **COMPLY** with the Law, and all rules promulgated thereunder.

2. Respondent's Tennessee Insurance Producer License number 2162748 is hereby **REVOKED**.

3. The Respondent has committed four (4) violations of TENN. CODE ANN. § 56-6-112:

- a. One violation of TENN. CODE ANN. § 56-6-112(a)(1) for the incorrect, misleading, incomplete, and materially untrue information on his application submitted on December 1, 2014;
- b. One violation of TENN. CODE ANN. § 56-6-112(a)(1) for the incorrect, misleading, incomplete, and materially untrue information on his application submitted on November 11, 2016;
- c. One violation of TENN. CODE ANN. § 56-6-112(a)(6) for his felony conviction; and

d. One violation of TENN. CODE ANN. § 56-6-112(a)(9) for the denial of his application for a Georgia non-resident insurance producer license.

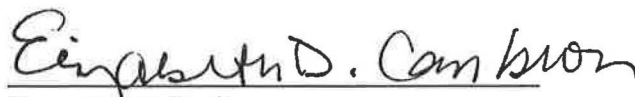
4. The Respondent is assessed a total of \$4,000.00 in civil penalties – one (1) \$1,000.00 civil penalty for each of the four (4) violations of TENN. CODE ANN. § 56-6-112. This Civil Penalty is due and payable upon this Order becoming final.

5. All persons in any way assisting, aiding, or helping the aforementioned Respondent in any of the aforementioned violations of the Law shall **CEASE AND DESIST** all such activities.


6. This Initial Order imposing sanctions against the Respondent is entered to protect the public and consumers of insurance products in the State of Tennessee, consistent with the purposes fairly intended by the policy and provisions of the Law.

It is so ORDERED.

This Initial Order entered and effective this the 20th day of MARCH, 2018.


ELIZABETH D. CAMBRON
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 20th day of MARCH, 2018.


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

APPENDIX A TO INITIAL ORDER
NOTICE OF APPEAL PROCEDURES

Review of Initial Order

This Initial Order shall become a Final Order (reviewable as set forth below) fifteen (15) days after the entry date of this Initial Order, unless either or both of the following actions are taken:

(1) A party files a petition for appeal to the agency, stating the basis of the appeal, or the agency on its own motion gives written notice of its intention to review the Initial Order, within fifteen (15) days after the entry date of the Initial Order. If either of these actions occurs, there is no Final Order until review by the agency and entry of a new Final Order or adoption and entry of the Initial Order, in whole or in part, as the Final Order. A petition for appeal to the agency must be filed within the proper time period with the Administrative Procedures Division of the Office of the Secretary of State, 8th Floor, William R. Snodgrass Tower, 312 Rosa L. Parks Avenue, Nashville, Tennessee, 37243-1102. (Telephone No. (615) 741-7008). See Tennessee Code Annotated, Section (T.C.A. §) 4-5-315, on review of initial orders by the agency.

(2) A party files a petition for reconsideration of this Initial Order, stating the specific reasons why the Initial Order was in error within fifteen (15) days after the entry date of the Initial Order. This petition must be filed with the Administrative Procedures Division at the above address. A petition for reconsideration is deemed denied if no action is taken within twenty (20) days of filing. A new fifteen (15) day period for the filing of an appeal to the agency (as set forth in paragraph (1) above) starts to run from the entry date of an order disposing of a petition for reconsideration, or from the twentieth day after filing of the petition, if no order is issued. See T.C.A. §4-5-317 on petitions for reconsideration.

A party may petition the agency for a stay of the Initial Order within seven (7) days after the entry date of the order. See T.C.A. §4-5-316.

Review of Final Order

Within fifteen (15) days after the Initial Order becomes a Final Order, a party may file a petition for reconsideration of the Final Order, in which petitioner shall state the specific reasons why the Initial Order was in error. If no action is taken within twenty (20) days of filing of the petition, it is deemed denied. See T.C.A. §4-5-317 on petitions for reconsideration.

A party may petition the agency for a stay of the Final Order within seven (7) days after the entry date of the order. See T.C.A. §4-5-316.

YOU WILL NOT RECEIVE FURTHER NOTICE OF THE INITIAL ORDER BECOMING A FINAL ORDER

A person who is aggrieved by a final decision in a contested case may seek judicial review of the Final Order by filing a petition for review in a Chancery Court having jurisdiction (generally, Davidson County Chancery Court) within sixty (60) days after the entry date of a Final Order or, if a petition for reconsideration is granted, within sixty (60) days of the entry date of the Final Order disposing of the petition. (However, the filing of a petition for reconsideration does not itself act to extend the sixty day period, if the petition is not granted.) A reviewing court also may order a stay of the Final Order upon appropriate terms. See T.C.A. §4-5-322 and §4-5-317.