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DEPT. OF COMMERCE AND INSURANCE
LEGAL OFFICE



License ID 933489
NPN # 8527899

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

TENNESSEE INSURANCE DIVISION,)
Petitioner,)
vs.)
MICHAEL P. MEEHAN,)
Respondent.)

Order No.: 17-014

CONSENT ORDER

The Insurance Division of the Department of Commerce and Insurance ("Division") and Mr. Michael P. Meehan ("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's insurance producer license number 0933489 expired on March 31, 2017.

9. Upon information and belief, and records on file with the Division, Respondent is a Tennessee resident residing at 2448 Country Trail Drive, Memphis, Tennessee 38133.

FINDINGS OF FACT

10. Upon information and belief, from in or about July of 2005 to the present, Respondent has been engaged in the business of insurance.

11. From July of 2005 to present, Respondent has been appointed as an insurance producer by multiple insurance companies, including but not limited to, Liberty Bankers Life Insurance Company, Marquette National Life Insurance Company, and Pyramid Life Insurance Company.

12. On or about May 10, 1982, Respondent pled guilty in the State of Tennessee, Criminal Court of Davidson County to Attempt to Commit a Felony and was sentenced to the penitentiary for one (1) to three (3) years.

13. Pursuant to the Tennessee law in effect at the time of Respondent's 1982 conviction, Tenn. Code Ann. §§ 39-1-103 and 39-1-501, Attempt to Commit a Felony was classified as a felony offense.

14. On or about January 11, 1988, Respondent pled guilty in the State of Tennessee, Criminal Court of Davidson County to Use of a Minor for Obscene Purposes and Aggravated Sexual Battery. The Respondent was sentenced to the penitentiary for fifteen (15) years.

15. Pursuant to the Tennessee law in effect at the time of Respondent's 1988 conviction, Tenn. Code Ann. § 39-1-702, Aggravated Sexual Battery was classified as a felony offense.

16. On or about July 15, 2005, Respondent submitted to the Department an application for an insurance producer license, specifically for property and casualty insurance. The application included the following question: "Have you ever been convicted of, or are you currently charged with, committing a crime, whether or not adjudication was withheld?" Respondent answered "no."

17. On or about July 30, 2005, Respondent submitted to the Department an application for an insurance producer license, specifically for life and accident and health insurance. The application included the following question: "Have you ever been convicted of, or are you currently charged with, committing a crime, whether or not adjudication was withheld?" Respondent answered "no."

18. Subsequent to the issuance of Respondent's insurance producer license in July of 2005, the Respondent submitted renewal applications in 2006, 2007, 2009, 2011, 2013, and 2015.

19. The 2011, 2013, and 2015 renewal applications were submitted electronically by the Respondent. Each online application inquired as to whether the Respondent has ever been convicted of a crime which has not been previously reported to this insurance department. Respondent answered "no" to this inquiry on these renewal applications.

20. Respondent first disclosed his prior felony convictions to the Division on or about May 17, 2016, during an interview with Thomas Smith, Manager of the Financial Services Investigation Unit.

CONCLUSIONS OF LAW¹

¹ The statutes providing the basis for disciplinary action against the Respondent have been amended several times during the duration of Respondent's alleged violations. All of the applicable versions are included within the "Applicable Law" section.

21. At all times relevant hereto, Tenn. Code Ann. § 56-6-112(a) provided the following:

(a) The commissioner may place on probation, suspend, revoke, or refuse to issue or renew a license issued under this part or may levy a civil penalty in accordance with this section or take any combination of such actions, for any one (1) or more of the following causes:

(1) Providing incorrect, misleading, incomplete or materially untrue information in the license application;

...

(3) Obtaining or attempting to obtain a license through misrepresentation or fraud;

...

(6) Having been convicted of a felony;

...

22. For all violations prior to July 1, 2008, Tenn. Code Ann. § 56-6-112(e) (2003) provided the following:

(e) With respect to any person licensed or required to be licensed under this part, and in addition to or in lieu of any applicable denial, suspension or revocation of a license, the commissioner may assess a civil penalty against such person in an amount not less than one hundred dollars (\$100) nor more than one thousand dollars (\$1000) for each separate violation of a statute, rule or order pertaining to the sale, solicitation or negotiation of insurance in this state. Each day of continued violation constitutes a separate violation.

23. For all violations occurring between July 1, 2008, and June 30, 2011, Tenn. Code Ann. § 56-2-305(a) (2008) provided the following:

(a) If . . . the commissioner finds that any insurer, person, or entity required to be licensed, permitted, or authorized by the division of insurance has violated any statute, rule or order, the commissioner may, at the commissioner's discretion, order:

(1) The insurer, person, or entity 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), unless the insurer, person, or entity knowingly violates a statute, rule or order, in which case the penalty shall not be more than twenty-five thousand dollars (\$25,000) for each violation, not to exceed an aggregate penalty of two hundred fifty thousand dollars (\$250,000). This subdivision (a)(2) shall not apply where a statute or rule specifically provides for other civil penalties for the violation. For purposes of this subdivision (a)(2), each day of continued violation shall constitute a separate violation; and

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

24. For all violations occurring on or after July 1, 2011, Tenn. Code Ann. § 56-6-112

(g) (2011) provides the following:

(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.

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 0933489, be **REVOKED** and Respondent shall **CEASE AND DESIST** from engaging in the business of insurance;
2. The Respondent's Insurance Producer License, number 0933489, expired on March 31, 2017 and is not eligible for renewal.
2. Respondent shall **PAY A CIVIL PENALTY** to the State of Tennessee in the total amount of five thousand dollars (\$5,000). An initial payment of two hundred fifty dollars (\$250) is due within thirty (30) days of the entry of this Order. Payment 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**

3. The remaining balance of the **CIVIL PENALTY**, four thousand seven hundred and fifty dollars (\$4,750), shall be paid within three (3) years of entry of this Consent Order.
4. The failure to timely make payment under the terms of this agreed Consent Order may result in additional disciplinary action being taken against Respondent including, but not necessarily limited to, the assessment of additional civil monetary penalties.
5. Failure to timely make any payment shall render any remaining balance under this Consent Order immediately due and collectible.

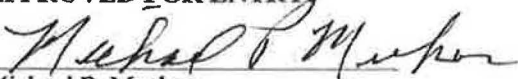
IT IS ORDERED that this Consent Order is in the public interest and in the best interests of the parties, and represents a compromise and settlement of the controversy between the parties and is for settlement purposes only. By the signatures affixed below, the Respondent affirmatively states that Respondent 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.

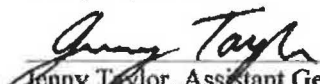
IT IS SO ORDERED.

ENTERED this 16 day of June, 2017.


Julie Mix McPeak, Commissioner
Department of Commerce and Insurance

APPROVED FOR ENTRY:


Michael P. Meehan
2448 Country Trail Drive
Memphis, TN 38133


Jenny Taylor, Assistant General Counsel, BPR # 027264
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