



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

TENNESSEE INSURANCE DIVISION, )  
 )  
 Petitioner, )  
 )  
 v. ) TID No.: 21-063  
 )  
 BETSY JEFFERS PRICE, )  
 )  
 Respondent. )

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CONSENT ORDER

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The Insurance Division of the Tennessee Department of Commerce and Insurance (“Division”) and Betsy Jeffers Price (“Respondent”) hereby stipulate and agree to the entry and execution 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 and requires the Commissioner’s acceptance and has no force and effect until such acceptance is evidenced by the Commissioner’s signature and execution of this Consent Order. Entry and execution of this Consent Order by the Commissioner shall occur once the Commissioner signs and dates this Consent Order.

2. This Consent Order is entered into by the Respondent for the purpose of avoiding further administrative action with respect to this cause. 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. The Respondent fully understands that this Consent Order will in no way preclude additional proceedings by the Commissioner against the 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. The 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, or for violations of the 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 Consent Order.

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

6. The Respondent fully understands that this Consent Order, when entered, will constitute a public document for purposes of any applicable statutes governing public access to government records.

#### **AUTHORITY AND JURISDICTION**

7. The Commissioner has jurisdiction over insurance matters pursuant to Title 56 of the Tennessee Code Annotated ("Tenn. Code Ann."), specifically Tenn. Code Ann. §§ 56-1-202

and 56-6-112 (the "Law"). The Division is the lawful agent through which the Commissioner discharges this responsibility.

### **PARTIES**

8. The Division is the lawful agent through which the Commissioner discharges the administration of the Law, and it is authorized to bring this action for the protection of Tennessee citizens.

9. The Respondent is a licensee of the Division who is responsible for being compliant with the insurance laws and regulations of the State of Tennessee.

10. The Respondent holds a valid Tennessee resident insurance producer license, number 0914526.

11. The Respondent's Tennessee insurance producer license is active and has an expiration date of March 31, 2021.

12. The Respondent's address of record on file with the Division is 4829 Shandy Drive, Memphis, Tennessee 38125.

### **FINDINGS OF FACT**

13. At all relevant times hereto, the Respondent was doing business as an agent for American Family Life Assurance Company ("AFLAC"), a business headquartered in Columbus, Georgia.

14. On or about January 18, 2017, the Financial Services Investigations Unit ("FSIU") of the Division was notified by representatives of AFLAC that the Respondent had been terminated, for cause, from her appointment as a representative (agent) of AFLAC.

15. The termination of the Respondent by AFLAC was for alleged acts of fraud and forgery in multiple policy applications in the *name of* individuals who do not exist.

16. The business model of AFLAC features the agreement of an employer to authorize the creation of a “master plan,” which offers insurance products by paying fixed amounts for each day of lost work to employees of a particular employer or other specified benefit coverages, and then to offer individually tailored coverages by sale of a particular policy or policies to the employee(s) with premium payment by payroll deduction

17. The method of operation used by the Respondent in the above-described fraudulent acts was to set up a master plan with certain insurance products, and then to fraudulently create individualized applications for coverages in the name of employees that were not authorized by the employers or employees, with the expectation of receiving an advance commission upon submission of the applications.

18. The Respondent submitted applications for insurance policies for multiple businesses. Some of the businesses included fraudulent applications with fictitious applicants’ names.

19. AFLAC’s fraud analytics personnel determined that the policies were not valid and were fraudulent.

20. In each of the instances where the Respondent submitted fraudulent applications for coverage under AFLAC policies, no premium funds were submitted to AFLAC causing each one of the policies to terminate without any premium having been paid.

21. In each of the instances where the Respondent submitted fraudulent applications for coverage under AFLAC policies, the Respondent was paid an advance commission.

### **CONCLUSIONS OF LAW**

22. 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;
- ...
- (5) Intentionally misrepresenting the terms of an actual or proposed insurance contract or application for insurance; [and]
- ...
- (8) [D]emonstrating incompetence, untrustworthiness or financial irresponsibility in the conduct of business in this state or elsewhere[.]

**ORDER**

**NOW, THEREFORE**, based on the foregoing, including the Respondent’s waiver of the right to a hearing and appeal under the Law and the Tennessee Uniform Administrative Procedures Act, Tenn. Code Ann. §§ 4-5-101 *et seq.*, and the Respondent’s admission to the jurisdiction of the Commissioner, the Commissioner finds that the Respondent, for purposes of settling this matter, admits to the Findings of Fact and Conclusions of Law contained herein, agrees to the entry and execution of this Consent Order, and finds this Consent Order to be appropriate, in the best interest of the public, and necessary for the protection of the public.

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

- 1. The Respondent shall **CEASE AND DESIST** from any future conduct in violation of any rule, regulation, or statute under the Law.
- 2. Any persons associated with the Respondent shall **CEASE AND DESIST** from any future conduct in violation of any rule, regulation, or statute under the Law.

3. The Respondent shall **PAY A CIVIL PENALTY** of two hundred fifty dollars (\$250), at a rate of one hundred twenty-five dollars (\$125) for two (2) months, beginning the first month after the execution of this Consent Order. The payments shall be paid by the fifth (5<sup>th</sup>) day of the month.

4. The payment of such civil penalty shall be made by check payable to the Tennessee Department of Commerce and Insurance. Page one (1) of this Consent Order must accompany the payment for reference. Payments shall be mailed to:

**State of Tennessee  
Department of Commerce and Insurance  
Legal Division, 12th Floor  
Attn: Vishan Ramcharan, Attorney  
Davy Crockett Tower  
500 James Robertson Parkway  
Nashville, Tennessee 37243**

5. If payment is not made according to the terms described above, the Division may declare the remaining civil penalty due and immediately seek collection of the civil penalty.


6. By the signature affixed below, the Respondent affirmatively states that she has freely agreed to the entry and execution of this Consent Order, that she waives the right to a hearing on the matters underlying this Consent Order, enforcement of 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.

7. 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 settlement as set forth in this Consent Order, are binding upon them.


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

9. This Consent 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.

**ENTERED AND EXECUTED** May 24, 2021.

  
Carter Lawrence (May 24, 2021 11:33 CDT)  
Carter Lawrence, Commissioner  
Department of Commerce and Insurance

**APPROVED FOR ENTRY AND EXECUTION:**

  
\_\_\_\_\_  
Betsy Jeffers Price  
Respondent

Bill Huddleston  
Bill Huddleston (May 20, 2021 08:46 CDT)

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Bill Huddleston  
Assistant Commissioner for Insurance  
Department of Commerce and Insurance

Vishan J. Ramcharan  
Vishan J. Ramcharan (May 19, 2021 11:33 CDT)

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Vishan J. Ramcharan (BPR # 034403)  
Associate General Counsel  
Department of Commerce and Insurance  
500 James Robertson Parkway, 12<sup>th</sup> Floor  
Nashville, Tennessee 37243  
(615) 770-0082/Fax (615) 741-4000