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

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|---|---|---|
| **TENNESSEE INSURANCE DIVISION,** | ) | |
| | ) | |
| **Petitioner,** | ) | |
| | ) | **Matter No.: 21-00271** |
| **v.** | ) | **I.O. No.: 19-067** |
| | ) | |
| **GARRETT AUSTIN DAVIDSON,** | ) | |
| | ) | |
| **Respondent.** | ) | |

## CONSENT ORDER

The Insurance Division of the Tennessee Department of Commerce and Insurance ("Division") and Garrett Austin Davidson ("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 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 Consent Order is executed by the parties 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. 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 herein addressed.

4. The Respondent fully understands that this Consent 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 Consent 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 Consent 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 Consent Order, the stipulations and imposition of discipline contained herein, and the consideration and entry and execution of said Consent 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, at all times relevant, a licensee of the Division, who is responsible for being compliant with the insurance laws and regulations of the State of Tennessee.

## III. FINDINGS OF FACT

9. The Respondent was a resident of Tennessee and held a Tennessee resident insurance producer license, number 2337310, which became active on or about June 20, 2016.

10. At all times relevant hereto, the Respondent was licensed in Tennessee as a resident insurance producer.

11. The Respondent is assigned National Insurance Producer Number 17982771 by the National Insurance Producer Registry ("NIPR"), a service of the National Association of Insurance Commissioners ("NAIC").

12. On or about June 21, 2019, the Tennessee Department of Commerce and Insurance received a referral letter from State Farm stating that the Respondent was terminated for cause on June 14, 2019.

13. An audit conducted by State Farm found that the Respondent used his own credit card to pay for insurance applications for multiple people not in his household. Between about January 3, 2019, and May 10, 2019, the Respondent authorized ninety-three (93) payments from a Visa account ending in 9721 for State Farm Insurance premium payments for twenty thousand, eight hundred ninety-two dollars and eighteen cents ($20,892.18). In addition to policies for people not in the Respondent's household, this card was also used to make payments for life insurance policies for two (2) of the Respondent's employees and premium payments for two (2) of the Respondent's customers.

14. On or about June 17, 2019, the Division entered Inquisitorial Order 19-067, initiating an investigation by the Financial Services Investigation Unit ("FSIU") into the Respondent's conduct.

15. On or about June 17, 2025, the Respondent, then a resident of Mississippi, applied for and was granted a Tennessee non-resident insurance producer license. On this application, the Respondent falsely indicated that he had never been terminated by an insurance company for alleged misconduct.

## IV. APPLICABLE LAW

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

> (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 those actions, for any one (1) or more of the following causes:
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> . . .
>
> (1) Providing incorrect, misleading, incomplete or materially untrue information in the license application;
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> (8) Using fraudulent, coercive, or dishonest practices, or demonstrating incompetence, untrustworthiness or financial irresponsibility in the conduct of business in this state or elsewhere;
>
> . . .
>
> (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.
>
> (f) The commissioner may serve a notice or order in any action arising under this part by registered or certified mail to the insurance producer or applicant at the address of record in the files of the department. Notwithstanding any law to the contrary, service in the manner set forth in this subsection (f) shall be deemed to constitute actual service on the insurance producer or applicant.
>
> (g) If, after providing notice consistent with the process established by § 4-5-320(c), and providing the opportunity for a contested case hearing held in accordance with the Uniform Administrative

Procedures Act, compiled in title 4, chapter 5, 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.

17. Based on the Findings of Fact above, the Respondent engaged in fraudulent, coercive, or dishonest practices, or demonstrated incompetence, untrustworthiness or financial irresponsibility in the conduct of business in this state by using his own business credit card to pay premiums for his employees and customers, in violation of Tenn. Code Ann. § 56-6-112(a)(8).

18. Based on the Findings of Fact above, the Respondent provided incorrect, misleading, incomplete or materially untrue information in his license application when he represented that he had never been terminated by an insurance company for alleged misconduct when Respondent had been terminated by State Farm in 2019, in violation of Tenn. Code Ann. § 56-6-112(a)(1).

## ORDER

**NOW, THEREFORE,** on the basis of the foregoing, and 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 Conclusions of Law, and agrees to the entry and execution of this Consent Order.

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

19. The Respondent shall **PAY A CIVIL PENALTY** to the State of Tennessee of **five thousand dollars** ($5,000) for providing false information on an application for an insurance license and demonstrating incompetence, untrustworthiness or financial irresponsibility in the conduct of business**.** 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. Payment shall be remitted within ninety (90) days after the

entry and execution of this Consent Order, as evidenced by the Commissioner's signature, and mailed to the attention of:

**Tennessee Department of Commerce and Insurance**
**Legal Division**
**Attn: Samuel L. Moore**
**500 James Robertson Parkway**
**Davy Crockett Tower**
**Nashville, TN 37243**

20. This Consent 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.

21. 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.

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

23. 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.

24. 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** ____________, 2026.

Carter Lawrence, Commissioner
Department of Commerce and Insurance

**APPROVED FOR ENTRY AND EXECUTION:**

Scott McAnally — Date
Assistant Commissioner for Insurance
Department of Commerce and Insurance

Garret Austin Davidson — Date
Respondent

Samuel L. Moore, BPR# 031342 — Date
Associate Counsel
Tennessee Department of Commerce and Insurance
500 James Robertson Parkway, Davy Crockett Tower
Nashville, TN 37243
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