

NORTH CAROLINA DEPARTMENT OF INSURANCE  
RALEIGH, NORTH CAROLINA

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STATE OF NORTH CAROLINA  
COUNTY OF WAKE

BEFORE THE COMMISSIONER  
OF INSURANCE

IN THE MATTER OF THE LICENSURE  
OF ALLIED SPECIALTY INSURANCE, INC.  
NON-RESIDENT LICENSE NO. 1000011142

VOLUNTARY SETTLEMENT  
AGREEMENT

NOW COME, Allied Specialty Insurance, Inc. (hereinafter "Allied") and the North Carolina Department of Insurance (hereinafter "Department"), and hereby voluntarily and knowingly enter into the following Voluntary Settlement Agreement (hereinafter "this Agreement").

WHEREAS, the Department has the authority and responsibility for enforcement of the insurance laws of this State, and for regulating and licensing insurance agents and business entities; and

WHEREAS, Allied currently holds a non-resident Corporation (Business Entity) License with the Department; and

WHEREAS, North Carolina General Statute § 58-33-32(k) requires designated producers on behalf of the licensed business entity to report to the Commissioner any administrative action taken against the producer in another state or by another governmental agency in this State within 30 days after the final disposition of the matter; and

WHEREAS, Allied entered into a settlement with the Massachusetts Division of Insurance with respect to an administrative action taken against its license resulting in the payment of a penalty effective June 15, 2010; and

WHEREAS, Allied did not report this action to the Department within 30 days as required by North Carolina General Statute § 58-33-32(k); and

WHEREAS, Allied admits to this violation of North Carolina General Statute §58-33-32(k); and

WHEREAS, North Carolina General Statute §58-33-46(a)(1) and (2) provides that the Commissioner of Insurance may place on probation, suspend, revoke, or refuse to renew any

license where (1) the licensee provides materially incorrect, misleading, incomplete, or materially untrue information in the license application, or, (2) where the licensee violates any insurance law, administrative rule, subpoena, or Order of the Commissioner of another state's insurance regulator; and,

**WHEREAS**, the licensee falsely indicated on its renewal application of April 1, 2011 that it had not been involved in an administrative proceeding subsequent to the initial application or last renewal for licensing in North Carolina; and, failed to timely report the administrative action taken against its license in Massachusetts; and,

**WHEREAS**, Allied admits to these violations of North Carolina General Statutes §58-33-46(a)(1) and (2); and,

**WHEREAS**, Allied has agreed to settle, compromise, and resolve the matters referenced in this Agreement, and the Department has agreed not to pursue additional penalties, sanctions, remedies, or restitution based on these matters against Allied; and

**WHEREAS**, the parties to this Agreement mutually wish to resolve this matter by consent before the Department initiates an administrative hearing, and have reached a mutually agreeable resolution of this matter as set out in this Agreement.

**NOW, THEREFORE**, in exchange for the consideration and promises and agreements set out herein, Allied and the Department hereby agree to the following:

1. Immediately upon the signing of this Agreement, Allied shall pay a civil penalty of **\$250.00** to the Department. The form of payment shall be by certified check, cashier's check or money order. The check or money order for the payment of this civil penalty shall be payable to the "North Carolina Department of Insurance." Allied shall remit the civil penalty by certified mail, return receipt requested, to the Department along with a copy of this signed Agreement. The civil penalty and the signed Agreement must be received by the Department no later than June 4, 2013. The civil penalty shall be subject to disbursement in accordance with the provisions of Article IX, Section 7 of the North Carolina Constitution for the benefit of public schools.
2. This Agreement does not in any way affect the Department's disciplinary power in any future examination of Allied, or in any other complaints involving Allied.
3. Allied enters into this Agreement freely and voluntarily and with the knowledge of its right to have an administrative hearing on this matter. Allied understands it may consult with an attorney prior to entering into this Agreement.
4. The parties to this Agreement agree that this Agreement shall have the full force and effect of an Order of the Commissioner. Allied understands that N.C.G.S. § 58-33-46(a)(2) provide that a business entity's license may be revoked for violating an Order of the Commissioner.

5. This Agreement, when finalized, will be a public record and will **not** be held confidential by the Department. Following the execution of this Agreement, any and all licenses issued by the Department to Allied shall reflect that Regulatory Action has been taken against it. The Department is free to disclose the contents of this Agreement with third parties upon request or pursuant to any law or policy providing for such disclosure. The Department routinely provides copies of voluntary settlement agreements to all companies that have appointed the licensee.
6. The parties have read and understand this Agreement and agree to abide by the terms and conditions stated herein.

Allied Specialty Insurance, Inc.

PK

Date:

5/22/13

By: Richard W. D'Aprile  
Designated Licensed Producer

N.C. Department of Insurance

Date:

6/10/13

By: Angela Ford  
Senior Deputy Commissioner

