

**NORTH CAROLINA DEPARTMENT OF INSURANCE
RALEIGH, NORTH CAROLINA**

**STATE OF NORTH CAROLINA
COUNTY OF WAKE**

**BEFORE THE COMMISSIONER
OF INSURANCE**

**IN THE MATTER OF THE LICENSURE
OF ASHLEY J. BAUGSTAT**

**VOLUNTARY SETTLEMENT
AGREEMENT**

NOW COMES Ashley J. Baugstat (hereinafter "Baugstat") and the North Carolina Department of Insurance (hereinafter "Department"), and hereby voluntarily and knowingly enter into the following Voluntary Settlement Agreement (hereinafter "Agreement"):

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

WHEREAS, Baugstat currently holds Life/Health and Medicare Supplement/Casualty insurance licenses issued by the Department in February 2001; and

WHEREAS, Baugstat received a felony conviction for conspiracy to distribute narcotics with the intent the distribute in October 2002; and

WHEREAS, Baugstat failed to inform the Department of said felony conviction; and

WHEREAS, the actions of Baugstat and the receipt of the felony conviction are in violation of N.C. Gen. Stat. §§ 58-2-69(c), 58-33-46(a)(2),(6), and (17); and

WHEREAS, these violations provide the Department with an adequate basis to initiate an administrative proceeding to suspend or revoke Baugstat's licenses and to assess a monetary penalty against Baugstat; and

WHEREAS, the Parties mutually wish to resolve this matter by consent before the Department initiates an administrative hearing concerning these violations.

NOW THEREFORE, in exchange for the consideration of the promises and agreements set out herein, the Department and Baugstat hereby agree to the following and waive any objections to the following:

1. Baugstat shall pay a civil penalty of \$250.00, due immediately upon execution of this agreement. The check for the payment of this civil penalty shall be payable to the "North Carolina Department of Insurance." This 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 the public schools.

3. Baugstat enters into this Settlement Agreement freely and voluntarily and with knowledge of his right to have an administrative hearing on this matter.
4. Baugstat voluntarily waives any right to notice of an administrative hearing and any right to a hearing on the violations and disciplinary actions referenced in this Settlement Agreement. Baugstat also waives any right to appeal and agrees not to challenge the validity of this Settlement Agreement in any way.
5. The promises, agreements, representations and consideration contained herein are not mere recitals but are contractual in nature.
6. The Department agrees that it will not initiate any additional administrative actions based on the violations referenced herein, provided that Baugstat does not violate the terms and conditions of this Settlement Agreement and that the Department does not discover any additional violations or grounds for discipline. This Settlement Agreement shall not preclude the Department from pursuing any criminal charges or civil actions against Baugstat. This agreement does not in any way affect the Department's disciplinary power in any other cases or complaints involving Baugstat.
7. Baugstat understands that he may consult with an attorney prior to entering into this Settlement Agreement.
8. Baugstat understands that upon the execution of this Settlement Agreement, the Department will inform all insurance carriers who have appointed Baugstat as to the terms of said agreement.
9. This written document contains the entire agreement between the Parties. There are no other oral or written agreements of any kind that alter or add to this agreement.
10. The Parties agree that the Superior Court of Wake County shall be the venue for any actions seeking to enforce this Settlement Agreement.
11. If, for any reason, any part or provision of this Settlement Agreement is found to be void or unenforceable, the other parts and provisions shall remain in full force and effect.

12. The Parties have read and understand this Settlement Agreement and agree to abide by the terms and conditions contained herein.

This the ____ day of May, 2005.

[Redacted signature]

Ashley J. Baugstat

[Redacted signature]

Angela Ford
Senior Deputy Commissioner
North Carolina Department of Insurance

6-9-05