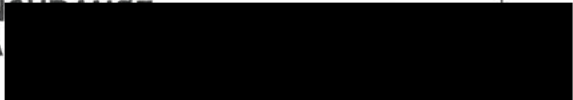


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OCT 21 2011

NORTH CAROLINA DEPARTMENT OF INSURANCE
RALEIGH, NORTH CAROLINA



PROCESSOR

STATE OF NORTH CAROLINA
COUNTY OF WAKE

BEFORE THE COMMISSIONER
OF INSURANCE

86258

IN THE MATTER OF THE LICENSURE
OF RAYMOND BOSTIAN
NPN 2406657

VOLUNTARY SETTLEMENT
AGREEMENT

NOW COME Raymond Bostian (hereinafter "Mr. Bostian") and the North Carolina Department of Insurance (hereinafter "the 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

WHEREAS, Mr. Bostian holds licenses issued by the Department in the areas of Life, Accident & Health, or Sickness, and Medicare Supplement/Long-Term Care, and

WHEREAS, Mr. Bostian is president and owner of Bostian Retirement, LLC, which is based in Salisbury, North Carolina; and

WHEREAS, Mr. Bostian offers free seminars to potential customers, often along with free meals at restaurant venues, and further Mr. Bostian utilizes advertisements in advance of and in conjunction with these seminars; and

WHEREAS, as a result of several complaints received by the department's Consumer Services Division ("CSD"), all materials relevant to Mr. Bostian's activities as an insurance agent were referred to the Department's Agent Services Division ("ASD"). An investigation by ASD determined that, in the years 2008-2010, a number of violations of NC General Statutes and North Carolina Administrative Code by Mr. Bostian were discovered, as more particularly described below, and

WHEREAS, Mr. Bostian and his legal counsel met with representatives of CSD and ASD in an informal conference on March 31, 2011 to discuss these consumer complaints. At this informal conference, additional information was requested from Mr. Bostian by the Department, and said information was subsequently provided by Mr. Bostian's legal counsel; and

WHEREAS, Mr. Bostian violated N.C. Gen. Stat. § 58-33-46(a)(8), N.C. Gen. Stat. § 58-33-46(a)(8), N.C. Gen. Stat. § 58-63-15(2), and 11 NCAC 12.0426 by utilizing deceptive or misleading advertisements ("ads") that constituted misrepresentations by Mr. Bostian in the following ways: (1) ads claimed Mr. Bostian has expertise to help potential customers with advice concerning "investments", for which he is not licensed; and (2) ads offered advice on tax strategies, for which Mr. Bostian has no professional qualification; and (3) ads falsely designated Mr. Bostian as "the IRA Professor", when Mr. Bostian possesses no actual professional tax or professorial qualifications; (4) for ads which failed to identify Mr. Bostian as an insurance agent; and (5) for ads claiming that investors could generate 50% returns by following "the Rockefeller Secret"; and

WHEREAS, in violation of N.C. Gen. Stat. § 58-33-46(a)(8), N.C. Gen. Stat. § 58-33-46(a)(8), N.C. Gen. Stat. § 58-63-15(2), 11 NCAC 12.0426 and 11 NCAC 12.0427(p), Mr. Bostian's advertisement entitled, "12 Reasons Clients Prefer Bostian Retirement" contains the following misleading or false statements relating to his role as an insurance agent: (1) that his advice is given by a "Full-Time Professional (not stockbrokers or salespeople)", and (2) that Mr. Bostian is approved by the "National Ethics Bureau", a "regulatory agency", where there is no such regulatory agency. Further, this advertisement failed to disclose that Mr. Bostian is a licensed insurance agent and that the solicitation was for the purpose of marketing insurance products; and

WHEREAS, Mr. Bostian violated N.C. Gen. Stat. § 58-33-105 by falsely claiming in a 2008 application to Lincoln National Life Insurance that a consumer did not have any existing life insurance policies or annuity contracts, when Mr. Bostian had in fact previously sold this consumer such a policy and should have known such a policy to be in force at the time of the application; and

WHEREAS, Mr. Bostian has subsequently submitted updated marketing materials to the Department which correct the deficiencies that are described above; and

WHEREAS, the allegations above constitute violations of this State's insurance laws and rules for which Mr. Bostian's licenses may be revoked pursuant to N.C.G.S. § 58-33-46(a)(2); and

WHEREAS, Mr. Bostian 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 Mr. Bostian; and

WHEREAS, pursuant to N.C.G.S. § 58-2-70(g), the Commissioner of Insurance and the Department have the express authority to negotiate a mutually acceptable agreement with any person as to the status of the person's license or certificate or as to any civil penalty or restitution; and

WHEREAS, the parties to this Agreement mutually wish to resolve this matter by

consent before the Department initiates an administrative hearing concerning this matter; and

WHEREAS, the parties to this Agreement have reached a mutually agreeable resolution of this matter as set out in this Agreement;

NOW, THEREFORE, in exchange for, and in consideration of the promises and agreements set out herein, the Department and Mr. Bostian hereby agree to the following:

1. Mr. Bostian agrees to pay a civil penalty of **one thousand dollars (\$1,000.00)** to the Department. The civil penalty must be in the form of a check, cashier's check or money order, and must be received by the Department contemporaneously with the executed Voluntary Settlement Agreement, signed by Mr. Bostian, no later than **October 30, 2011**. If the civil penalty and executed Voluntary Settlement Agreement are not received by the Department on or before this date, Mr. Bostian understands that his licenses issued by the Department will be revoked.
2. Mr. Bostian enters into this Agreement freely and voluntarily and with knowledge of his right to have an administrative hearing on this matter. Mr. Bostian understands that he may consult with an attorney prior to entering into this Agreement.
3. This Agreement does not in any way affect the Department's disciplinary power in any future examinations of Mr. Bostian or in any other complaints involving Mr. Bostian.
4. The parties to this Agreement agree that this Agreement shall have the full force and effect of an Order of the Commissioner. Mr. Bostian understands that N.C.G.S. 58-33-46(a)(2) provides that his licenses may be revoked for violating an Order of the Commissioner.
5. The parties have read and understand this Agreement and agree to abide by the terms and conditions stated herein.
6. This Agreement, when finalized, will be a public record and is not confidential.

Any and all licenses issued by the Department to the licensee shall reflect that Regulatory Action has been taken against the licensees following the execution of this Agreement. 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 the NAIC and all companies that have appointed the licensee.

7. This Voluntary Settlement Agreement shall become effective when signed and attested to by Mr. Bostian and the Department.

This the 19th day of October, 2011.

NORTH CAROLINA DEPARTMENT OF
INSURANCE


Raymond Bostian

By:


Angela Ford
Senior Deputy Commissioner

10-26-11