



**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
CREDIT ADJUSTMENTS, INC.
DEFIANCE, OH
PERMIT NO. 119503626**

**VOLUNTARY SETTLEMENT
AGREEMENT**

NOW COME, CREDIT ADJUSTMENTS, INC.-DEFIANCE (hereinafter “**CREDIT ADJUSTMENTS-DEFIANCE**”) and the Agent Services Division of the N.C. Department of Insurance (hereinafter “Agent Services Division”), and hereby enter into the following Voluntary Settlement Agreement (hereinafter “this Agreement”).

WHEREAS, the Agent Services Division has the authority and responsibility for the enforcement of the provisions of Chapter 58 of the General Statutes of North Carolina applicable to Collection Agencies and the collection agency business; and

WHEREAS, CREDIT ADJUSTMENTS-DEFIANCE, domiciled in the State of Ohio, is doing business and has been issued a permit by the Department to operate as a foreign collection agency in North Carolina; and

WHEREAS, N.C. Gen. Stat. Sec. 58-70-1 provides that no person, firm, corporation, or association shall conduct or operate a collection agency or do a collection agency business, as defined in Chapter 58 Article 70 of the General Statutes of North Carolina, until he or it shall have secured a permit therefore as provided in Article 70; and

WHEREAS, N.C. Gen. Stat. Sec. 58-70-10 provides that a person, firm, corporation, or association desiring to renew a permit issued pursuant to G.S. 58-70-5 shall make application to the Commissioner of Insurance not less than 30 days prior to the expiration date of the then current permit; and

WHEREAS, CREDIT ADJUSTMENTS-DEFIANCE failed to renew its permit to do business as a collection agency in North Carolina by June 30, 2021, and therefore was operating in North Carolina without an active permit thereafter in violation of N.C. Gen. Stat. §§ 58-70-1 and 58-70-10; and

WHEREAS, CREDIT ADJUSTMENTS-DEFIANCE has been allowed to reinstate its authority back to July 1, 2021 by the Department, and is currently authorized to act as a collection agency in North Carolina; and

WHEREAS, CREDIT ADJUSTMENTS-DEFIANCE has acknowledged and admitted to these violations; and

WHEREAS, pursuant to N.C. Gen. Stat. Sec. 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, CREDIT ADJUSTMENTS-DEFIANCE has agreed to settle, compromise, and resolve the matters referenced in this Agreement on behalf of itself, and the Agent Services Division has agreed not to pursue additional civil ramifications, including penalties, sanctions, remedies, or restitution based on these matters against **CREDIT ADJUSTMENTS-DEFIANCE**; and

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


NOW THEREFORE, in consideration of the promises and agreements set out herein, the Agent Services Division and **CREDIT ADJUSTMENTS-DEFIANCE** hereby agree to the following;

1. Immediately upon signing this agreement, **CREDIT ADJUSTMENTS-DEFIANCE** shall pay a civil penalty of **\$1,000.00** to the Agent Services Division. The form of payment shall be 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.” **CREDIT ADJUSTMENTS-DEFIANCE** shall remit the civil penalty by certified mail, return receipt requested, to the Agent Services Division along with a copy of this signed agreement. The civil penalty and the signed Agreement must be received by the Agents Services Division no later than **November 08, 2021**. 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. **CREDIT ADJUSTMENTS-DEFIANCE** shall comply with all provisions of Chapter 58 of the General Statutes of North Carolina and Title 11 of the North Carolina Administrative Code that are applicable to **CREDIT ADJUSTMENTS-DEFIANCE**
3. This Agreement does not in any way affect the Agent Services Division’s disciplinary power in any future or follow-up examination of **CREDIT ADJUSTMENTS-DEFIANCE**, or in any cases or complaints involving **CREDIT ADJUSTMENTS-DEFIANCE**. In the event **CREDIT ADJUSTMENTS-DEFIANCE** or any of its present or future locations fail to comply with this Agreement or otherwise fail to comply with the laws and rules applicable to **CREDIT ADJUSTMENTS-DEFIANCE**, the Agents Services Division may take any administrative or legal action it is authorized to take.

4. The parties to this Agreement agree that this Agreement shall have the full force and effect of an Order of the Commissioner of Insurance. **CREDIT ADJUSTMENTS-DEFIANCE** understands that N.C. Gen. Stat. Sec. 58-70-40(c)(6) provides that a collection agency's permit may be revoked if a partner or proprietor or officer of the collection agency has violated or refused to comply with an Order of the Commissioner.
5. **CREDIT ADJUSTMENTS-DEFIANCE** enters into this Agreement freely and voluntarily and with knowledge of its right to have an administrative hearing on this matter. **CREDIT ADJUSTMENTS-DEFIANCE** understands that it may consult with an attorney prior to entering into this Agreement.
6. This Voluntary Settlement Agreement, when finalized will be a public record and will not be treated as confidential. All permits issued by the Agents Services Division to **CREDIT ADJUSTMENTS-DEFIANCE** shall reflect that Regulatory Action has been taken against the licensee following the execution of this Agreement. The Agents Services Division is free to disclose the contents of this Agreement to third parties upon request or pursuant to any law or policy providing for such disclosure.
7. This Agreement shall become effective when signed by **CREDIT ADJUSTMENTS-DEFIANCE** and the Agents Services Division.

**CREDIT ADJUSTMENTS, INC
DEFIANCE, OH
PERMIT NO. 119503626**

**N.C. Department of Insurance
Agent Services Division**

By: 

**Jason Osborne
Secretary**

By: 

**Angela Hatchell
Deputy Commissioner**

Date: October 6, 2021

Date: 10/19/2021