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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
DIRECT PROCESSING, LLC

VOLUNTARY SETTLEMENT
AGREEMENT

NOW COME Direct Processing, LLC, its Member, Jackie Okomba, and the North Carolina Department of Insurance (hereinafter "Department"), and hereby enter into the following Voluntary Settlement Agreement (hereinafter "this Agreement").

WHEREAS, Direct Processing, LLC is a limited liability corporation organized and existing under the laws of the State of North Carolina. Direct Processing, LLC filed Articles of Organization with the North Carolina Secretary of State's office on December 16, 2013; and

WHEREAS, the Department has the authority and responsibility for the enforcement of the provisions of Article 70 of Chapter 58 of the General Statutes of North Carolina applicable to collection agencies and the collection agency business; and

WHEREAS, Direct Processing, LLC was initially issued a permit to operate as a collection agency in in North Carolina pursuant to N.C.G.S. § 58-70-5 on August 5, 2014. Direct Processing, LLC operates an office at 1811 Sardis Road, Suite 235, Charlotte, NC 28270; and

WHEREAS, Laurence Sessum and Jackie Okomba were the original members and organizers of Direct Processing, LLC. Effective April 14, 2014, Mr. Sessum transferred his entire membership and ownership interest in Direct Processing, LLC to Ms. Okomba, who remains the sole owner and member of Direct Processing, LLC; and

WHEREAS, Direct Processing, LLC initially applied for a permit to operate as a collection agency on January 10, 2014 after an investigator with the Department's Criminal Investigation Division investigated Direct Processing, LLC for allegedly operating a collection agency in North Carolina without a permit in violation of N.C.G.S. § 58-70-1; and

WHEREAS, Ms. Okomba completed Direct Processing, LLC's January 10, 2014 permit application. Although Mr. Sessum was still an owner and member at the time of the application, Ms. Okomba only listed herself as owner and member on the January 10, 2014 application. By letter dated April 3, 2014, the Department notified Direct Processing, LLC that its permit application had been denied after Direct Processing, LLC failed to provide required documentation in response to multiple requests from the Department; and

WHEREAS, on January 24, 2014, Ms. Okomba and Mr. Sessum were arrested and charged in Mecklenburg County Superior Court with operating a collection agency without a permit. On September 2, 2014, the charge against Ms. Okomba was voluntarily dismissed and Mr. Sessum entered into a prayer for judgment continued for misdemeanor operating a collection agency without a permit; and

WHEREAS, Direct Processing, LLC contracted with License Logic to assist it with completing and submitting a new permit application after Agent Services denied the January 10, 2014 permit application. Direct Processing, LLC submitted the new permit application to the Department on May 13, 2014 and the Department issued the permit to Direct Processing, LLC on August 5, 2014; and

WHEREAS, although Ms. Okomba had a pending charge for operating a collection agency without a permit in violation of N.C.G.S. § 58-70-1 when Direct Processing, LLC completed and submitted the May 13, 2014 application, Direct Processing answered "No" on the initial permit application question #1 of Section 3.2, Ethical Disclosures, which asks "Has the applicant or any of its owners, governing members and/or officers ever been convicted of, or is currently charged with committing a crime, whether or not adjudication was withheld;" and

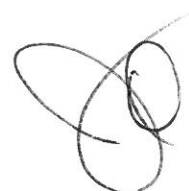
WHEREAS, the Department contends that Direct Processing, LLC's failure to disclose Mr. Sessum's ownership and membership interest on its January 10, 2014 permit application and Direct Processing, LLC's false answer to Ethical Disclosure question #1 on its May 13, 2014 permit application are grounds for disciplinary action against Direct Processing, LLC under N.C.G.S. § 58-70-40(c)(3) & (4); and

WHEREAS, on June 14, 2016, Ms. Okomba participated in an informal conference with the Department in order to address allegations against Direct Processing, LLC's collection agency permit arising out of the above application answers; and

WHEREAS, Direct Processing, LLC asserts that it did not intend to misrepresent or defraud the Department when it listed Ms. Okomba as the only owner and member on the January 10, 2014 application; and

WHEREAS, Direct Processing, LLC asserts that License Logic used the answers to the Ethical Disclosures listed on the January 10, 2014 application, which at that time correctly answered "No" to question #1 of Section 3.2, "Ethical Disclosures." Direct Processing, LLC also contends that it did not intentionally misrepresent that Ms. Okomba had no pending criminal charges and did not intend to defraud the Department into issuing it a permit by failing to update its previous answers to the Ethical Disclosures questions; 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, Direct Processing, LLC has agreed to pay a civil penalty of \$1,000.00 for having failed to list Mr. Sessum as an owner and member on its January 10, 2014 permit application and for having incorrectly answered Ethical Disclosure question #1 on its May 13, 2014 permit application; 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 consideration of the promises and agreements set out herein, the Department, Direct Processing, LLC and its Member hereby agree to the following;

1. Immediately upon signing this agreement, Direct Processing, LLC shall pay a civil penalty of one thousand dollars (\$1000.00) to the Department. 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." Direct Processing, LLC 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 August 22, 2016. 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. Direct Processing, LLC and its Member shall comply with all provisions of Article 70 of Chapter 58 of the General Statutes of North Carolina and Title 11 of the North Carolina Administrative Code that are applicable to Direct Processing, LLC.
3. This Agreement does not in any way affect the Department's disciplinary power in any future or follow-up examination of Direct Processing, LLC or in any cases or complaints involving Direct Processing, LLC. In the event that Direct Processing, LLC or its Member fail to comply with this Agreement or otherwise fail to comply with the laws and rules applicable to Direct Processing, LLC the Department 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. Direct Processing, LLC and its Member understand that N.C.G.S. § 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. Direct Processing, LLC and its Member enter into this Agreement freely and voluntarily and with knowledge of their right to have an administrative hearing on this matter. Direct Processing, LLC and its Member understand that they 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. Any and all permits issued by the Department to Direct Processing, LLC shall reflect that Regulatory Action has been taken against the licensee following the execution of this Agreement. The Department 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. The Department routinely provides copies of voluntary settlement agreements to all companies that have appointed the licensee.
7. This Agreement shall become effective when signed by the Parties.

DIRECT PROCESSING, LLC

N.C. Department of Insurance

By:



Jackie Okomba
Member

By:



Angela K. Ford
Senior Deputy Commissioner

8-30-16

Date: 08/04/2016

Date: August 30, 2016