

NORTH CAROLINA DEPARTMENT OF INSURANCE
RALEIGH, NORTH CAROLINA

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STATE OF NORTH CAROLINA
COUNTY OF WAKE

BEFORE THE COMMISSIONER OF INSURANCE

104177

IN THE MATTER OF THE LICENSURE
OF FINANCECO, INC.,
A PREMIUM FINANCE COMPANY
COMPANY NUMBER 359

VOLUNTARY SETTLEMENT
AGREEMENT

NOW COME, Financeco, Inc. (hereinafter "Financeco") 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 premium finance companies; and

WHEREAS, North Carolina General Statute § 58-35-5(a) provides that no person except an authorized insurer shall engage in the business of an insurance premium finance company without obtaining a license from the Commissioner; and

WHEREAS, North Carolina General Statute § 58-35-15(b) provides that each premium finance company license issued shall remain in full force and effect until the last day of June, and may be renewed for the ensuing license year; and if the application for renewal is filed before July 1 of any year, the license sought to be renewed shall be continued in full force and effect either until the issuance of the renewal license applied for or until five days after the Commissioner refuses to issue such renewal license; and

WHEREAS, North Carolina General Statute § 58-35-20 (c) provides that the Commissioner may forthwith deny, suspend, revoke or refuse to renew or continue a premium finance company license if the licensee has failed to pay the annual license fee, or has failed to comply with any demand, ruling, provision or requirement of the Commissioner lawfully made pursuant to Article 35 of Chapter 58 of the General Statutes of North Carolina; and

WHEREAS, North Carolina General Statute § 58-35-90 provides among other things that any person who shall engage in the business of premium financing without first receiving a

license, or who shall fail to secure a renewal of his license upon expiration of the license year shall be deemed guilty of a Class 1 misdemeanor; and

WHEREAS, FINANCECO failed to renew its premium finance company license effective June 30, 2014, its license lapsed, and FINANCECO was prohibited from engaging in premium finance activity until it was properly licensed; and

WHEREAS, FINANCECO admits to these violations of Carolina General Statutes §§ 58-35-15(b), 58-35-20 (c), and 58-35-90; and

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

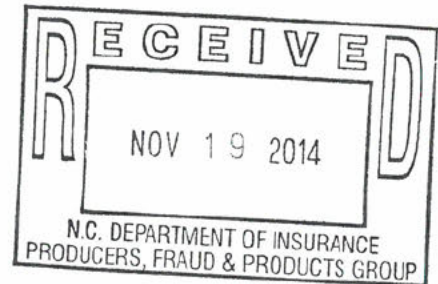
NOW, THEREFORE, in exchange for the consideration and promises and agreements set out herein, FINANCECO and the Department hereby agree to the following:

1. Immediately upon the signing of this Agreement, FINANCECO shall pay a civil penalty of **\$1000.00** 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." FINANCECO 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 **December 3, 2014**. 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 FINANCECO, or in any other complaints involving FINANCECO.
3. FINANCECO enters into this Agreement freely and voluntarily and with the knowledge of its right to have an administrative hearing on this matter. FINANCECO 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. FINANCECO understands that N.C.G.S. § 58-

35-20 (a) (1) provides that a premium finance company's license may be revoked for violating or failing to comply with any demand, ruling, provision or requirement of the Commissioner lawfully made pursuant to the provisions of Article 35 of Chapter 58 of the General Statutes of North Carolina.


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 FINANCECO 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.


This the 19th day of November, 2014.



Financeco Inc.
Company No. 359

North Carolina Department of Insurance

By: 
Joe W. Floyd
President

By: 
Angela Ford
Senior Deputy Commissioner

11-19-14