



**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 GILSBAR SPECIALTY INSURANCE  
SERVICES, LLC**

**VOLUNTARY SETTLEMENT  
AGREEMENT**

**LICENSE NO. 8472638**

**NOW COME**, Gilsbar Specialty Insurance Services, LLC (hereinafter "Gilsbar") and the Agent Services Division (hereinafter "ASD") of the North Carolina Department of Insurance (hereinafter "Department"), and hereby voluntarily and knowingly enter into the following Voluntary Settlement Agreement (hereinafter "this Agreement"):

**WHEREAS**, Gilsbar has agreed to settle, compromise, and resolve the matters referenced in this Agreement on behalf of itself, and ASD has agreed not to pursue additional civil ramifications; including penalties, sanctions, remedies or restitution based on these matters against Gilsbar; and

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

**WHEREAS**, Gilsbar currently holds a non-resident Corporation license and Surplus Lines Business Entity license issued by the Department; and

**WHEREAS**, the Department conducted an agency review of Gilsbar on certain dates in November 2020, December 2020, and January 2021; and

**WHEREAS**, Gilsbar, while disputing a portion of the findings of the Department's investigation, cooperated with the Department and began taking the corrective action recommended by the Department following the Department's review; and

**WHEREAS**, N.C. Gen. Stat. § 58-33-26(a) requires that no person shall act or hold himself or herself out to be an agent, broker, limited representative, adjuster, or motor vehicle damage appraiser unless duly licensed; and

**WHEREAS**, N.C. Gen. Stat. § 58-33-26(b) requires that no agent, broker, or limited representative shall make application for, procure, negotiate for, or place for others any policies for any kinds of insurance as to which that person is not then qualified and duly licensed; and

**WHEREAS**, N.C. Gen. Stat. § 58-33-40(a) requires that no individual who holds a valid insurance agent's license issued by the commissioner shall, either directly or for an insurance agency, solicit, negotiate, or otherwise act as an agent for any insurer by which the individual has not been

appointed; and

**WHEREAS**, 11 NCAC 4.0121 requires that all premium payment receipts and copies issued by an agent, broker, or limited representative, shall be dated and contain the printed or stamped name and address of the agency or agent, broker, or limited representative, and the name of the insurer, with receipts signed by the person accepting payment; and

**WHEREAS**, 11 NCAC 4.0120 requires that an agent, broker or limited representative who deals directly with an applicant and who intends to charge a policy or service fee in accordance with N.C. Gen. Stat. § 58-33-85(b) shall not do so unless (1) a sign informs the applicant in large bold print that a policy or service fee of (amount) will be charged, (2) the applicant's consent in writing is obtained on a separate form each time a policy or service fee is charged, and (3) a dated receipt for the payment of a policy or service fee is issued either separately from the policy premium receipt or stated separately on the receipt issued for the policy premium; and

**WHEREAS**, while Gilsbar disagrees with the Department's interpretation of certain statutes, Gilsbar has stated that it will accept the Department's interpretation of N.C. Gen. Stat. § 58-33-26(a), N.C. Gen. Stat. § 58-33-26(b), and N.C. Gen. Stat. § 58-33-40(a), and that Gilsbar and its employees will comply with the insurance laws of North Carolina regulating and licensing insurance agents; and

**NOW, THEREFORE**, in consideration of the promises and agreements set out herein, ASD and Gilsbar hereby agree to the following:

1. Immediately upon the signing of this document, Gilsbar shall pay a **civil penalty of \$50,000.00** to the Department. The form of payment shall be in the form of a 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." Gilsbar shall send the civil penalty by certified mail, return receipt requested, to the Department simultaneously with the return of this Agreement, signed by Gilsbar. The civil penalty and the signed Agreement must be received by the Department no later than **December 31, 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 the public schools.
2. Gilsbar shall obey all laws and regulations applicable to all licenses issued to it, including N.C. Gen. Stat. § 58-33-26(a), N.C. Gen. Stat. § 58-33-26(b), and N.C. Gen. Stat. § 58-33-40(a), as explained to Gilsbar by the Department during the course of this action.
3. Gilsbar enters into this Agreement freely and voluntarily and with knowledge of its right to have an administrative hearing on this matter, and Gilsbar consulted with an attorney prior to entering into this Agreement.
4. This Agreement does not in any way affect the Department's disciplinary power in any future follow-up examinations of Gilsbar, or in any other cases or complaints involving Gilsbar.
5. The parties to this Agreement agree that this Agreement shall have the full force and effect of an Order of the Commissioner. Gilsbar understands that N. C. Gen. Stat. § 58-33-46(a)(2) provides that a license may be revoked for violating an Order of the Commissioner.
6. This Voluntary Settlement Agreement, when finalized, will be a public record and is not

confidential. All licenses issued by the Department to the licensee 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 Settlement Agreement between ASD and Gilsbar shall become effective when signed by Gilsbar and by Angela Hatchell, Deputy Commissioner of the Agent Services Division of the N.C. Department of Insurance.

**Gilsbar Specialty Insurance Services, LLC**

**Agent Services Division**



By: Ryan Haun  
President

By: Angela Hatchell  
Deputy Commissioner  
Agent Services Division

Date: 12/28/21

Date: 1/3/2022