

**NORTH CAROLINA DEPARTMENT OF INSURANCE
RALEIGH, NORTH CAROLINA**

**STATE OF NORTH CAROLINA
COUNTY OF WAKE**

**IN THE MATTER OF THE LICENSURE
OF RICHARD M. HUNT
LICENSE NO. 0006581099**

9.0108

BEFORE THE COMMISSIONER OF INSURANCE
RECEIVED IN AGENT SERVICES A.S. - N.C.D.O.I.
VOLUNTARY SETTLEMENT AGREEMENT
FEB 14 2012
[REDACTED]
CHECK NO. [REDACTED]
CHECK AMT. \$750.00
PROCESSOR [REDACTED]

NOW COME, Richard M. Hunt (hereinafter "Mr. Hunt") 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 insurance agents; and

WHEREAS, Mr. Hunt currently holds a producer's license with the Department with authority for Life and Accident Health or Sickness lines of insurance; and

WHEREAS, North Carolina Gen. Stat. § 58-33-46(a)(2) authorizes the Commissioner of Insurance to place on probation, suspend, revoke, or refuse to renew any license issued under Article 33 of the North Carolina General Statutes for violating any insurance law of this or any other state; and

WHEREAS, North Carolina Gen. Stat. § 58-2-195(a) empowers the Commissioner to make and promulgate rules governing the recording and reporting of insurance business transactions by insurance agencies, agents, brokers and producers of record, and requires that information required to be kept pursuant to such rules to be furnished to the Commissioner on demand; and

WHEREAS, Mr. Hunt was requested by email dated May 11, 2011 by the Department to respond to an inquiry regarding an applicant for insurance, Mr. Danny Mabe, and furnish documentation required to be kept pursuant to North Carolina Gen. Stat. § 58-2-195(a), and did not respond to such request in violation thereof; and

WHEREAS, North Carolina Gen. Stat. § 58-33-46(a)(5) authorizes the Commissioner of Insurance to place on probation, suspend, revoke, or refuse to renew any license issued under

Article 33 of the North Carolina General Statutes for intentionally misrepresenting the terms of an actual or proposed insurance contract or application for insurance; and

WHEREAS, Mr. Hunt in connection with the sale and issuance of a group cancer insurance policy to Ms. Carolyn Reives represented such policy as being guaranteed issue when in fact it was not, inducing Ms. Reives to terminate her in-force policy, such action constituting a violation of North Carolina Gen. Stat. § 58-33-46(a)(5); and

WHEREAS, North Carolina Gen. Stat. § 58-33-46(a)(8) provides that the Commissioner may place on probation, suspend, revoke, or refuse to renew any license issued under Article 33 of Chapter 58 of the General Statutes of North Carolina for using fraudulent, coercive, or dishonest practices, or demonstrating incompetence, untrustworthiness, or financial irresponsibility in the conduct of business in this State or elsewhere; and

WHEREAS, Mr. Hunt requested that Mr. Danny Mabe and other employees of G&B Energy to sign blank applications for disability, accident and cancer coverages and told them that he would complete them later; that he did not deliver the policies in a timely manner; and that he requested that all claims be forwarded to him instead of the insurer, AIG, notwithstanding the fact that he later left the employment of AIG but continued to service the policies, with all such actions constituting violations of North Carolina Gen. Stat. § 58-33-46(a)(8); and

WHEREAS, Mr. Hunt has admitted to these violations; and

WHEREAS, Mr. Hunt 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. Hunt; and

WHEREAS, the parties to this Agreement mutually wish to resolve these matters by consent before the Department initiates an administrative hearing, and have reached a mutually agreeable resolution of these matters as set out in this Agreement.

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

1. Immediately upon the signing of this Agreement, Mr. Hunt shall pay a **civil penalty of \$750.00** to the Department. The form of payment shall be by certified check, cashiers 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." Mr. Hunt 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 **February 10, 2012**. 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 examinations or investigations of Mr. Hunt, or in any other complaints involving Mr. Hunt.
3. Mr. Hunt enters into this Agreement freely and voluntarily and with the knowledge of his right to have an administrative hearing on this matter. Mr. Hunt understands he 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. Mr. Hunt understands that North Carolina Gen. Stat. § 58-33-46(a)(2) provides that an agent's license may be revoked for violating an Order of the Commissioner.
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 Mr. Hunt shall reflect that Regulatory Action has been taken against him. 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 agreement 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 1 day of Feb., 2012.

North Carolina Department of Insurance

[Redacted Signature]

Richard M. Hunt
License No. 0006581099

By: [Redacted Signature]

Angela K. Ford
Senior Deputy Commissioner

2-16-12