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OCT 2 2014

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

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**STATE OF NORTH CAROLINA  
COUNTY OF WAKE**

**BEFORE THE COMMISSIONER  
OF INSURANCE**

**IN THE MATTER OF THE LICENSURE  
OF KCL SERVICE COMPANY  
NPN 662965**

**VOLUNTARY SETTLEMENT  
AGREEMENT**

**NOW COME** KCL Service Company (hereinafter, "KCL Service") and the North Carolina Department of Insurance (hereinafter "the Department"), by and through Senior Deputy Commissioner Angela Ford, 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 business entities; and

**WHEREAS**, KCL Service is a Missouri corporation that is a wholly-owned subsidiary of Kansas City Life Insurance; and

**WHEREAS** KCL Service holds a nonresident business entity license issued by this Department; and

**WHEREAS**, on December 11, 2013, KCL Service entered into a Stipulation with the Florida Department of Financial Services ("the Stipulation") for failure to timely renew its agency license and transacting the business of insurance after the 2009 expiration of its agency license in violation of the Florida insurance laws; and

**WHEREAS**, pursuant to the Stipulation, KCL Service agreed to pay a penalty and to take all necessary steps to prevent recurrence of similar violation; and

**WHEREAS**, KCL Service failed to report the foregoing Florida administrative action to the Department within thirty (30) days of the disposition of that matter as is required by N.C.G.S. § 58-33-32(k); 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**, KCL Service 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 KCL Service; and

**WHEREAS**, the parties to this Agreement mutually wish to resolve this matter by consent before the Department initiates an administrative hearing concerning this matter; and

**WHEREAS**, KCL Service has agreed to pay a total administrative fine of \$250.00 in lieu of other administrative action against his licenses for this violation of Chapter 58;

**WHEREAS**, the parties to this Agreement have reached a mutually agreeable resolution of this matter as set out in this Voluntary Settlement Agreement.

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

1. Contemporaneously with the execution of this document, KCL Service shall pay a civil penalty of two hundred fifty dollars (\$250.00) to the Department. The certified check, cashier's check or money order for the payment of this civil penalty shall be payable to the "North Carolina Department of Insurance." This 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. The Department must receive both the civil penalty and this signed document from KCL Service no later than **October 17, 2014**.
2. KCL Service agrees to comply with all statutory and regulatory requirements applicable to insurance business entities in this State.
3. This Agreement does not in any way affect the Department's disciplinary power in any future actions, cases or complaints involving KCL Service.
4. The parties to this document have read and understand this document and agree to abide by the terms and conditions contained herein.
5. This Agreement, when finalized, will be a public record and is not confidential. Any and 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 with third parties upon request or pursuant to any law or policy providing for such disclosure.
6. The parties to this Agreement agree that this Agreement shall have the full force and effect of an Order of the Commissioner. KCL Service understands that N.C. Gen. Stat. § 58-33-46(a)(2) provides that KCL Service's license may be revoked for violating an Order of the Commissioner.
7. KCL Service voluntarily waives any right to notice of an administrative hearing and any right to a hearing on the violation and disciplinary action referenced in this Settlement Agreement. KCL Service also waives any right to appeal and

agrees not to challenge the validity of this Settlement Agreement in any way.

8. The promises, agreements, representations and consideration contained herein are not mere recitals but are contractual in nature.
9. This written document contains the entire agreement between the Parties. There are no other oral or written agreements of any kind that alter or add to this agreement.
10. This Voluntary Settlement Agreement shall become effective when signed by KCL Service and the Department.

[REDACTED]  
KCL Service Company  
By: Timothy Langland  
Associate General Counsel

[REDACTED]  
North Carolina Department of Insurance  
By: Angela K. Ford  
Senior Deputy Commissioner

Date:

9/26/14

Date:

10-7-14

