

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
K. F. AGENCY, INC.
NON-RESIDENT BUSINESS ENTITY
LICENSE NO. 1000004469

VOLUNTARY SETTLEMENT
AGREEMENT

NOW COME, K. F. Agency, Inc. (hereinafter "KFA") 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 business entities; and

WHEREAS, KFA currently holds a non-resident Business Entity License with the Department; and

WHEREAS, North Carolina General Statute § 58-33-26(j) provides that a business entity that sells, solicits, or negotiates insurance in North Carolina shall be licensed in accordance with North Carolina General Statute § 58-33-33-31(b); and

WHEREAS, North Carolina General Statute § 58-33-33-31(b) requires a business entity to have a designated licensed producer, who is a natural person, who is responsible for the business entity's compliance with the insurance laws and administrative rules of this State and orders of the Commissioner; and

WHEREAS, North Carolina General Statute § 58-33-32(k) requires a designated producer on behalf of the licensed business entity to report to the Commissioner any administrative action taken against the producer in another state or by another governmental agency in this State within 30 days after the final disposition of the matter; and

WHEREAS, KFA entered into a Consent Order with the Florida Department of Financial Services effective June 27, 2013 with respect to an administrative action taken against its license resulting in the imposition of and payment of a monetary penalty; and

WHEREAS, KFA did not report this action to the Department within thirty (30) days of this action as required by North Carolina General Statute § 58-33-32(k); and

WHEREAS, KFA admits to this violation of North Carolina General Statute § 58-33-32(k); and

WHEREAS, KFA 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 KFA; 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.

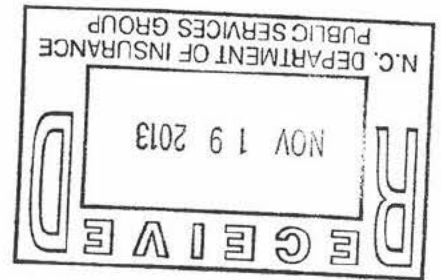
NOW, THEREFORE, in exchange for the consideration and promises and agreements set out herein, KFA and the Department hereby agree to the following:

1. Immediately upon the signing of this Agreement, KFA shall pay a civil penalty of **\$250.00** 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." KFA 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 2, 2013**. 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 KFA, or in any other complaints involving KFA.
3. KFA enters into this Agreement freely and voluntarily and with the knowledge of its right to have an administrative hearing on this matter. KFA 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. KFA understands that N.C.G.S. § 58-33-

46(a)(2) provides that a business entity'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 KFA 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, 2013.



K. F. Agency, Inc.
License No. 1000004469

North Carolina Department of Insurance

[Redacted signature area]

By: William D. Fritts, Jr.
Senior Vice President
Regulatory/Government Affairs

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By: Angela Ford
Senior Deputy Commissioner

11-19-13