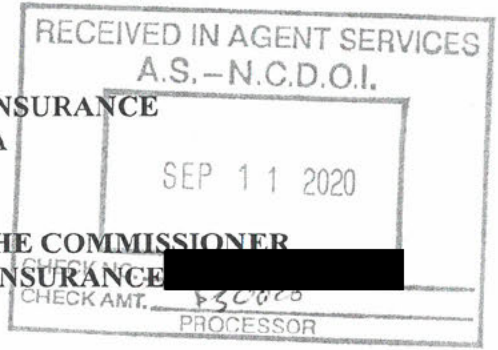


#115-735

**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
ROBERT S. LATREILLE
LICENSE NO. 9034124**

**VOLUNTARY SETTLEMENT
AGREEMENT**

NOW COMES, Robert "Bob" Latreille (hereinafter "Mr. Latreille") 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. Latreille currently holds a resident producer's license with authority for Life, Accident & Health or Sickness, Property and Casualty lines of insurance; a Broker's license, a Credit Agent license, and a Medicare Supplement Long-term Care license, all issued by the Department; and

WHEREAS, N.C. Gen. Stat. § 58-2-185 provides that all companies, agents, or brokers doing any kind of insurance business in this State must make and keep a full and correct record of the business done by them, showing the number, date, term, amount insured, premiums, and the persons to whom issued, of every policy or certificate or renewal, and that information obtained from these records must be furnished to the Commissioner on demand, and the original books of records shall be open to the inspection of the Commissioner when demanded; and

WHEREAS, N.C. Gen. Stat. § 58-2-195(b) provides that every insurance agency transacting insurance business in this State shall at all times have appointed some person employed or associated with such agency who shall have the responsibility of seeing that such records and reports as are required pursuant to the provisions of this section are kept and maintained; and

WHEREAS, 11 NCAC 04.0121 provides that all premium 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; and receipts shall be signed by the person accepting payment; and

WHEREAS, 11 NCAC 19.0102(a) and (b) provides that every insurer licensed to do business in this State shall maintain for at least five years all records, books, documents, and other business records that are required by this Section and by Chapter 58 of the North Carolina General Statutes; and every agency, agent, broker, or producer of record shall maintain a file for each policy sold; and the file shall contain all work papers and written communications in his or her possession pertaining to that policy; and these records shall be retained for at least five years after the final disposition or, for domestic companies, until the Commissioner has adopted a final report of a general examination that contains a review of these records for that calendar year, whichever is later; and

WHEREAS, N. C. Gen. Stat. § 58-33-46(a)(2) provides that the Commissioner may place on probation, suspend, revoke, or refuse to issue or renew any license issued under Article 58 of the General Statutes of North Carolina for violating any insurance law of this or any other state, violating any administrative rule, subpoena, or order of the Commissioner or of another state's regulator; and

WHEREAS, N.C. Gen. Stat. § 58-33-46(a)(4) 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 NC for improperly withholding, misappropriating, or converting any monies or properties received in the course of doing insurance business; and

WHEREAS, N.C. 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 NC 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, on January 27, 2020 and on January 30, 2020, a Department target agency review was initiated by Department Investigators ("Investigators") of Latreille Family Insurance, owned and operated by Mr. Latreille, based upon a complaint alleging that the agency was taking insurance premiums from customers without purchasing insurance coverages; and

WHEREAS, a review of the Latreille Family Agency records showed that the agencies' receipts do not contain the names of the carriers or the policy numbers in violation of 11 NCAC 04.0121; and

WHEREAS, a review of the Latreille Family Agency records revealed that the agency has not reconciled its total receipts to deposits, a violation of N. C. Gen. Stat. § 58-2-185; and

WHEREAS, a review of the Latreille Family Agency records revealed that the agency has failed to keep and maintain records of all deposits, a violation of N. C. Gen. Stat. § 58-2-195(b); and

WHEREAS, a review of the Latreille Family Agency records revealed that the agency has not maintained all records, books, documents and other business records and maintained a file for each policy sold, in violation of 11 NCAC 19.0102; and

WHEREAS, a review of the Latreille Family Insurance records showed that an employee of the agency misappropriated and embezzled \$1,253.99 by issuing receipts to Maria Velazquez for a policy that had not been issued; misappropriated and embezzled \$2,291.25 by issuing receipts to customers for policies that had not been issued; and issued checks out of the premium account for non-premium purposes; and

WHEREAS, It is alleged that the violations by an employee of the agency are attributable to Mr. Latreille as owner of the agency for allowing the violations to occur due to his inaction and lack of appropriate oversight; and

WHEREAS, a review of the Latreille Family Insurance Records revealed four certificates of insurance that either contained incorrect information or were not valid;

WHEREAS, as a result of the foregoing violations, Mr. Latreille was required to submit a written plan of action to prevent such occurrences in the future, which he submitted to the Department on August 6, 2020; and

WHEREAS, the violations found during the agency review violate Chapter 58 of the North Carolina General Statutes and rules of the North Carolina Administrative Code as set forth above and are sufficient to support suspension, probation, revocation or non-renewal of Mr. Latreille's license as provided in N.C. Gen. Stat. § 58-33-46(a)(2); and

WHEREAS, the violations found during the agency review show that insurance premium payments were misappropriated in the course of doing insurance business sufficient to support suspension, probation, revocation or non-renewal of Mr. Latreille's license as provided in N.C. Gen. Stat. § 58-33-46(a)(4); and

WHEREAS, the violations found during the agency review demonstrate incompetence and financial irresponsibility on the part of Mr. Latreille sufficient to support suspension, probation revocation or non-renewal of Mr. Latreille's license as provided in N.C. Gen. Stat. § 58-33-46(a)(8); and

WHEREAS, Mr. Latreille has agreed to settle, compromise, and resolve the matters referenced in this Agreement on behalf of himself, and the Department has agreed not to pursue additional penalties, sanctions, remedies, or restitution based on these matters against Mr. Latreille; 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, Mr. Latreille and the Department hereby agree to the following:

1. Immediately upon the signing of this Agreement, Mr. Latreille shall pay a civil penalty of **\$500.00** 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." Mr. Latreille 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 **September 30, 2020**. 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. Mr. Latreille is required and agrees to maintain the procedures he has represented by preparation of his written plan of action, and that he has implemented the plan of action to prevent the reoccurrence of the violations set forth in this Agreement, and is required and agrees to obtain Department approval for any changes thereto; and the Department reserves the right to make any follow up examinations of the agency without prior notice to assure compliance; and any non-adherence to these requirements shall constitute a violation of an Order of the Commissioner pursuant to Paragraph No. 6. below.
4. This Agreement does not in any way affect the Department's disciplinary power in any future examination of Mr. Latreille or in any other complaints involving Mr. Latreille.
5. Mr. Latreille enters into this Agreement, on behalf of himself, freely and voluntarily and with the knowledge of his right to have an administrative hearing on this matter. Mr. Latreille understands he may consult with an attorney prior to entering into this Agreement.

6. The parties to this Agreement agree that this Agreement shall have the full force and effect of an Order of the Commissioner. Mr. Latreille understands that pursuant N.C. Gen. Stat. § 58-33-46(a)(2), a producer's license may be revoked for violating an Order of the Commissioner.
7. This Agreement, when finalized, will be a public record and will not be held confidential by the Department. Following the execution of this Agreement, all licenses issued by the Department to Mr. Latreille shall reflect that Regulatory Action has been taken against him. 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, upon request, a copy of the voluntary settlement agreement to companies that have appointed the licensee.
8. The parties have read and understand this Agreement and agree to abide by the terms and conditions stated herein.
9. Be aware that if a state or federal regulator other than the N. C. Department of Insurance has issued an occupational or professional license to you, that regulator may require you to report this administrative action to it. The N.C. Department of Insurance cannot give you legal advice as to the specific reporting requirements of other state or federal regulators.

N. C. Department of Insurance

[Redacted Signature]

By: Robert S. Latreille
License No. 9034124

[Redacted Signature]

By: Angela Hatchell
Deputy Commissioner

Date: 8/27/2020

Date: 9/11/20