

NORTH CAROLINA DEPARTMENT OF INSURANCE
RALEIGH, NORTH CAROLINA

STATE OF NORTH CAROLINA
COUNTY OF WAKE
RECEIVED IN AGENT SERVICES
A.S. - N.C.D.O.I.
MAY 2 1 2007
IN THE MATTER OF
THE LICENSURE OF
LINDSAY LOFLIN, SR.
CHECK NO. [REDACTED]
CHECK AMT. [REDACTED]
PROCESSOR [REDACTED]

NOW COMES Lindsay Loflin, Sr. (hereinafter "Loflin") and the North Carolina Department of Insurance (hereinafter "Department"), and hereby voluntarily and knowingly enter into the following Voluntary Settlement Agreement (hereinafter "Agreement"):

WHEREAS, the Department has the authority and responsibility for enforcement of the insurance laws of this State, for regulating and licensing insurance agents; and WHEREAS, Loflin currently holds Life/Health, Medicare Supplement/Long-Term Care, and Dental Services insurance licenses issued by the Department; and

WHEREAS, Loflin was terminated by Hartford Life Insurance Company (hereinafter "Hartford") for failing to disclose to Hartford that he was submitting forty-eight replacement policies for policies previously written by Variable Universal Life (hereinafter "VUL"); and

WHEREAS, the Department contends that the actions of Loflin are in violation of 11 N.C.A.C. 12.0605 (a) (2) and N.C. Gen. Stat. §§ 58-33-46(a) (2), (8); and

WHEREAS, these violations, if proven, provide the Department with an adequate basis to initiate an administrative proceeding to suspend or revoke Loflin's licenses and to assess a monetary penalty against Loflin; and

WHEREAS, the Parties mutually wish to resolve this matter by consent before the Department initiates an administrative hearing concerning these violations.

NOW THEREFORE, in exchange for the consideration of the promises and agreements set out herein, the Department and Loflin hereby agree to the following and waive any objections to the following:

1. Loflin shall pay a civil penalty of \$2400.00, due immediately upon execution of this agreement. The check 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.

2. Loflin enters into this Settlement Agreement freely and voluntarily and with knowledge of his right to have an administrative hearing on this matter.
3. Loflin voluntarily waives any right to notice of an administrative hearing and any right to a hearing on the violations and disciplinary actions referenced in this Settlement Agreement. Loflin also waives any right to appeal and agrees not to challenge the validity of this Settlement Agreement in any way.
4. The promises, agreements, representations and consideration contained herein are not mere recitals but are contractual in nature.
5. The Department agrees that it will not initiate any additional administrative actions based on the violations referenced herein, provided that Loflin does not violate the terms and conditions of this Settlement Agreement and that the Department does not discover any additional violations or grounds for discipline. This Settlement Agreement shall not preclude the Department from pursuing any criminal charges or civil actions against Loflin. This agreement does not in any way affect the Department's disciplinary power in any other cases or complaints involving Loflin.
7. Loflin understands that upon the execution of this Settlement Agreement, the Department will inform all insurance carriers who have appointed Loflin as to the terms of said agreement.
8. This Settlement 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.
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. The Parties agree that the Superior Court of Wake County shall be the venue for any actions seeking to enforce this Settlement Agreement.
11. If, for any reason, any part or provision of this Settlement Agreement is found to be void or unenforceable, the other parts and provisions shall remain in full force and effect.

12. The Parties have read and understand this Settlement Agreement and agree to abide by the terms and conditions contained herein.

This the 20th day of May, 2007.

Lindsay Loflin, Sr.

[Redacted signature area]

Angela Ford
Senior Deputy Commissioner
North Carolina Department of Insurance

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