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**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 PERMIT  
RENEWAL OF MALCOLM S. GERALD  
& ASSOCIATES, INC.  
Permit Number: 3836**

**VOLUNTARY SETTLEMENT  
AGREEMENT**

**NOW COME**, Malcolm S. Gerald & Associates, Inc. (hereinafter "MSG") 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 laws of this State for regulating and licensing collection agencies; and

**WHEREAS**, MSG is a corporation organized and existing under the laws of the State of Illinois and currently holds a foreign collection agency permit issued by the Department; and

**WHEREAS**, North Carolina General Statute § 58-70-1 provides that no person, firm, corporation or association shall conduct or operate a collection agency or do a collection agency business without securing a permit as provided for in Article 70; and

**WHEREAS**, North Carolina General Statute § 58-70-10 provides that the permit of a collection agency shall be renewed on July 1 of each year upon submission of an application for renewal and payment of the applicable annual renewal fee; and

**WHEREAS**, MSG violated North Carolina General Statute § 58-70-10 by failing to timely apply for its permit renewal; and

**WHEREAS**, MSG acknowledged and admitted to this failure to timely renew its permit; and

**WHEREAS**, pursuant to North Carolina General Statute §58-2-70(g) the Department has 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**, the parties have mutually agreed to settle, compromise, and resolve the matter of the late renewal referenced in this Agreement, and the Department has agreed not to

pursue additional penalties, sanctions, remedies, or restitution based on these matters against MSG.

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

1. Immediately upon the signing of this Agreement, MSG shall pay a civil penalty of **\$1,000.00** 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." MSG 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, 2016**. 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 MSG or in any other complaints involving MSG.
3. MSG enters into this Agreement freely and voluntarily and with the knowledge of its right to have an administrative hearing on this matter. MSG 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 of Insurance. MSG understands that North Carolina General Statute § 58-70-40(c)(6) provides that its permit may be revoked if any partner, individual proprietor, or officer of the collection agency violates or refuses to comply with 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 permits issued by the Department to MSG 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 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.

7. This agreement shall become effective when signed and attested to by MSG and the Department.

**Malcolm S. Gerald & Associates, Inc.**

**N.C. Department of Insurance**

By:



**David J. Stein**  
**President**

Date:

9-6-16

By:



**Angela Ford**  
**Senior Deputy Commissioner**

Date:

9-21-16

