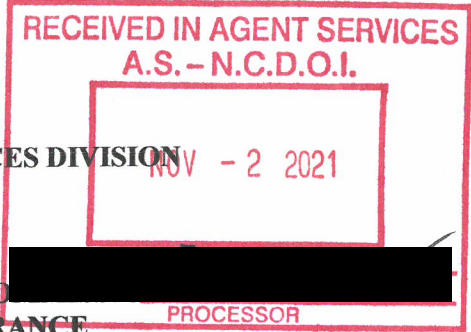


**N. C. DEPARTMENT OF INSURANCE AGENT SERVICES DIVISION
RALEIGH, NORTH CAROLINA**



**STATE OF NORTH CAROLINA
COUNTY OF WAKE**

**BEFORE THE COMMISSIONER
OF INSURANCE**

**IN THE MATTER OF THE LICENSURE
OF JOHN M. McDOUGALD
LICENSE NO. 0018683692**

**VOLUNTARY SETTLEMENT
AGREEMENT**

NOW COME, John M. McDougald (hereinafter "Mr. McDougald") and the Agent Services Division of the N.C. Department of Insurance (hereinafter "Agent Services Division"), and hereby voluntarily and knowingly enter into the following Voluntary Settlement Agreement (hereinafter "this Agreement").

WHEREAS, the Agent Services Division has the authority and responsibility for enforcement of the insurance laws of this State, and for regulating and licensing insurance agencies and agents; and

WHEREAS, Mr. McDougald currently holds a non-resident producer's license with authority for Life insurance and Variable Life and Variable Annuity Products issued by the Agent Services Division; and

WHEREAS, N. C. Gen. Stat. § 58-33-46 (a) (1) 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 North Carolina for providing materially incorrect, misleading, incomplete, or materially untrue information in the license application; and

WHEREAS, N. C. Gen. Stat. § 58-33-46 (a) (3) 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 North Carolina for obtaining or attempting to obtain a license through misrepresentation or fraud; and

WHEREAS, information made available to the Agent Services Division revealed that Mr. McDougald was convicted in the Superior Court of New Jersey, Union County Criminal Division on October 19, 2001 of Possession of a Controlled Dangerous Substance with Intent to Distribute within 1000 feet of School Property and within 1000 feet of Public Housing, and of the charge of Criminal Contempt; and on July 23, 2004, Mr. McDougald was convicted of the charge of Possession of a Controlled Dangerous Substance with Intent to Distribute; and

WHEREAS, Mr. McDougald on his November 26, 2019 application for a non-resident producer's license answered "No" to the questions thereon regarding prior criminal convictions and failed to disclose his past criminal history as requested and required thereon; and

WHEREAS, Mr. McDougald, by failing to include his prior conviction information on his application, violated N. C. Gen. Stats. §§ 58-33-46 (a) (1) and (a) (3); and

WHEREAS, North Carolina General Statute § 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. § 58-2-70 provides that whenever the Commissioner has reason to believe that any person has violated any law that would subject the license or certification of that person to suspension or revocation, the Commissioner is authorized, in lieu of a hearing, to negotiate a mutually acceptable agreement as to the status of the person's license or certificate or to any civil penalty or restitution; and

WHEREAS, Mr. McDougald has agreed to settle, compromise, and resolve the matters referenced in this Agreement on behalf of himself, and the Agent Services Division has agreed not to pursue additional civil ramifications, including penalties, sanctions, remedies, or restitution based on these matters against Mr. McDougald; and

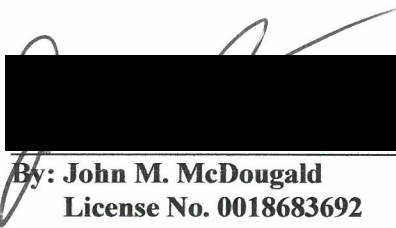

NOW, THEREFORE, in exchange for the consideration and promises and agreements set out herein, Mr. McDougald and the Agent Services Division hereby agree to the following:

1. Immediately upon the signing of this Agreement, Mr. McDougald shall pay a civil penalty of **\$250.00** to the Agent Services Division. 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. McDougald shall remit the civil penalty by certified mail, return receipt requested, to the Agent Services Division along with a copy of this signed Agreement. The civil penalty and the signed Agreement must be received by the Agent Services Division no later than **November 15, 2021**. 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 Agent Services Division's disciplinary power in any future examination of Mr. McDougald or in any other complaints involving Mr. McDougald.
3. Mr. McDougald 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. McDougald understands he 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. Mr. McDougald understands that N.C.G.S. § 58-33-46(a)(2) provides that a producer'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 Agent Services Division. Following the execution of this Agreement, all licenses issued by the Agent Services Division to Mr. McDougald shall reflect that Regulatory Action has been taken against him. The Agent Services Division 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 Agent Services Division, upon request, routinely provides a copy of the 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. Be aware that if a state or federal regulator other than the Agent Services Division has issued an occupational or professional license to you, that regulator may require you to report this administrative action to it. The Agent Services Division cannot give you legal advice as to the specific reporting requirements of other state or federal regulators.

**N.C. Department of Insurance
Agent Services Division**



By: John M. McDougald
License No. 0018683692


By: Angela Hatchell
Deputy Commissioner

Date: 10-14-21

Date: 11/2/2021