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SEP 30 2014

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

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PROCESSOR
**STATE OF NORTH CAROLINA
COUNTY OF WAKE**

**BEFORE THE COMMISSIONER
OF INSURANCE**

**IN THE MATTER OF THE LICENSURE
OF LEO MCGRUDER**

**VOLUNTARY SETTLEMENT
AGREEMENT**

NPN 17061198

NOW COME Mr. Leo McGruder (hereinafter, "Mr. McGruder") 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, the Department has the authority to place on probation, suspend, revoke, or refuse to renew any license issued under Article 58 pursuant to N.C.G.S. 58-33-46; and

WHEREAS, Mr. McGruder is a Missouri resident, and he holds a Non-Resident Producer license issued by this Department; and

WHEREAS, on or about September 19, 2013, Mr. McGruder completed an application for a non-resident agent license, and answered "no" to the screening question, "Have you ever been convicted of a crime, had a judgment withheld or deferred, or are you currently charged with committing a crime?"; and

WHEREAS, on or about December 2007, Mr. McGruder pled guilty to misdemeanor possession of drug paraphernalia in Greene County Circuit Court, Missouri; and

WHEREAS, Mr. McGruder's inaccurate answer on his license application regarding whether he had been convicted of a crime is in violation of N.C.G.S. §§ 58-33-46(a)(1); and

WHEREAS, Mr. McGruder's violation of N.C.G.S. §§ 58-33-46(a)(1) is a violation of the insurance laws for which his license may be revoked pursuant to N.C.G.S. § 58-33-46(a)(2); and

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WHEREAS, Mr. McGruder has agreed to settle, compromise, and resolve the matters referenced in this Agreement, and the Department has agreed not to pursue additional penalties, sanctions, remedies, or restitution based on these matters against Mr. McGruder; and

WHEREAS, Mr. McGruder hereby enters into this Voluntary Settlement Agreement for the purpose of resolving this matter and for the purpose of avoiding an administrative hearing; and

WHEREAS, the parties to this Agreement have reached a mutually agreeable resolution of this matter as set out in this Agreement;

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

1. Mr. McGruder has paid a civil penalty of two-hundred fifty dollars (\$250.00) to the Department. Mr. McGruder shall send the signed Voluntary Settlement Agreement by certified mail, return receipt requested, to the Department no later than October 31, 2014. 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. McGruder enters into this Agreement freely and voluntarily and with knowledge of his right to have an administrative hearing on this matter. Mr. McGruder understands that he may consult with an attorney prior to entering into this Agreement.
3. This Agreement does not in any way affect the Department's disciplinary power in any future examinations of Mr. McGruder or in any other complaints involving Mr. McGruder.
4. The parties to this Agreement agree that this Agreement shall have the full force and effect of an Order of the Commissioner. Mr. McGruder understands that N.C.G.S. 58-33-46(a)(2) provides that his licenses may be revoked for violating an Order of the Commissioner.
5. The parties have read and understand this Agreement and agree to abide by the terms and conditions stated herein.
6. This 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. The Department routinely provides copies of voluntary settlement agreements to the NAIC and all companies that have appointed the licensee.

7. This Voluntary Settlement Agreement shall become effective when signed by Mr. McGruder and the Department.

This the 22nd day of October, 2014.

NORTH CAROLINA DEPARTMENT OF
INSURANCE



Leo McGruder



Angela Ford
Senior Deputy Commissioner

10-2-14