

FARBORO  
County - Edgecombe

NORTH CAROLINA DEPARTMENT OF INSURANCE  
RALEIGH, NORTH CAROLINA

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STATE OF NORTH CAROLINA IN AGENT SERVICES BEFORE THE COMMISSIONER  
COUNTY OF WAKE A.S. - N.C.D.O.I. OF INSURANCE  
DIVISION

IN THE MATTER OF THE LICENSURE AUG - 5 2008 VOLUNTARY SETTLEMENT  
OF JERRI W. NICHOLSON AGREEMENT

CHECK NO. [REDACTED] # 38388  
CHECK AMT. [REDACTED]

NOW COME Jerri W. Nicholson (hereinafter "the Processor") and the North Carolina Department of Insurance (hereinafter "the 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 insurance laws of this State, and for regulating and licensing insurance agents; and

WHEREAS, Nicholson holds active Life and Health and Property and Liability Insurance agent licenses; and

WHEREAS, pursuant to N.C. Gen. Stat. § 58-33-46 (a)(4), the Commissioner may place on probation, suspend, revoke or refuse to renew any license issued under Article 33 of Chapter 58 of the North Carolina General Statutes for improperly withholding, misappropriating, or converting any monies or properties received in the course of doing insurance business; and

WHEREAS, pursuant to N.C. Gen. Stat. § 58-33-46 (a)(8), the Commissioner may place on probation, suspend, revoke or refuse to renew any license issued under Article 33 of Chapter 58 of the North Carolina General Statutes 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, a Department investigation revealed that Nicholson had a deficiency of \$2,422.07 with United Insurance Company of America from deposit shortages, that he improperly withheld \$2,422.07 in insurance premiums that he collected from customers, that he did not immediately deposit the funds collected into the appropriate accounts and did not inform the Department as to what caused the shortages in violation of N.C. Gen. Stat. §§ 58-33-46(a)(4) and 46(a)(8); and

WHEREAS, Nicholson admits to the foregoing violations and has paid back the \$2,422.07 to United Insurance Company of America; and

WHEREAS, in lieu of an administrative hearing on the matters stated herein, Nicholson has agreed to settle, compromise, and resolve the matters referenced in this

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Agreement, and the Department has agreed not to pursue additional penalties, sanctions, remedies, or restitution based on these matters against Nicholson; and

WHEREAS, pursuant to N.C. Gen. Stat. § 58-2-70(g), the Commissioner and the Department have 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.

NOW, THEREFORE, in consideration of the promises and agreements set out herein, the Department and Nicholson hereby agree to the following:


1. Immediately upon his signing of this document, Nicholson shall pay a **civil penalty of \$ 600.00** to the Department. The form of payment shall be in a certified check, cashiers 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." Nicholson shall send the civil penalty by certified mail, return receipt requested, to the Department simultaneously with the return of this Agreement, signed by Nicholson. The civil penalty and the signed Agreement must be received by the Department no later than **August 29, 2008**. 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 the public schools.
2. Nicholson shall obey all laws and regulations applicable to all licenses issued to him or his company.
3. Nicholson enters into this Agreement freely and voluntarily and with knowledge of his right to have an administrative hearing on this matter. Nicholson understands that he may consult with an attorney prior to entering into this Agreement.
4. This agreement does not in any way affect the Department's disciplinary power in any future follow-up examinations of Nicholson, or in any cases or complaints involving Nicholson.
5. The parties to this Agreement agree that this Agreement shall have the full force and effect of an Order of the Commissioner. Nicholson understands that N.C. Gen. Stat. § 58-33-46(a)(2) provides that any license issued under Article 33 of Chapter 58 of the North Carolina General Statutes may be revoked for violating an Order of the Commissioner.
6. The parties have read and understand this Agreement and agree to abide by the terms and conditions stated herein.
7. This Voluntary 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 to 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 all companies that have appointed the licensee.

8. This Agreement shall become effective when signed by Nicholson and the Department.

This the 1 day of August, 2008.

By:   
Jerri W. Nicholson

North Carolina Department of Insurance

By:  8-6-08  
Angela Ford   
Senior Deputy Commissioner