

NORTH CAROLINA DEPARTMENT OF INSURANCE
RALEIGH, NORTH CAROLINA

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SEP 7 2018

111 # 111

BEFORE THE COMMISSIONER OF INSURANCE

CHECK AMT. 1000.00

PROCESSOR

STATE OF NORTH CAROLINA
COUNTY OF WAKE

BEFORE THE COMMISSIONER
OF INSURANCE

IN THE MATTER OF
THE LICENSURE OF
SECURITY CREDIT SYSTEMS, INC.
A COLLECTION AGENCY

VOLUNTARY SETTLEMENT
AGREEMENT

NOW COME, SECURITY CREDIT SYSTEMS, INC., (hereinafter "SECURITY CREDIT") and the North Carolina Department of Insurance (hereinafter "Department"), and hereby enter into the following Voluntary Settlement Agreement (hereinafter "this Agreement").

WHEREAS, the Department has the authority and responsibility for the enforcement of the provisions of Chapter 58 of the General Statutes of North Carolina applicable to Collection Agencies and the collection agency business; and

WHEREAS, SECURITY CREDIT is a corporation organized and existing under the laws of the State of New York, and is doing business and has been issued a permit by the Department to operate as a foreign collection agency in North Carolina; and

WHEREAS, N.C. Gen. Stat. Sec. 58-70-1 provides that no person, firm, corporation, or association shall conduct or operate a collection agency or do a collection agency business, as defined in Chapter 58 Article 70 of the General Statutes of North Carolina, until he or it shall have secured a permit therefore as provided in Article 70; and

WHEREAS, N.C. Gen. Stat. Sec. 58-70-10 provides that a person, firm, corporation or association desiring to renew a permit issued pursuant to G.S. 58-70-5 shall make application to the Commissioner of Insurance not less than 30 days prior to the expiration date of the then current permit; and

WHEREAS, SECURITY CREDIT failed to renew its permit to do business as a collection agency in North Carolina by June 30, 2018 due to an administrative error, and therefore was unknowingly operating in North Carolina without an active permit thereafter in violation of N.C. Gen. Stat. §§ 58-70-1 and 58-70-10; and

WHEREAS, SECURITY CREDIT has been allowed to reinstate its authority back to July 1, 2018 by the Department, and is currently authorized to act as a collection agency in North Carolina; and

WHEREAS, SECURITY CREDIT has acknowledged and admitted to these violations; and

WHEREAS, pursuant to N.C. Gen. Stat. Sec. 58-2-70(g), the Commissioner of Insurance 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"; and

WHEREAS, the parties to this Agreement have reached a mutually agreeable resolution of

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this matter as set out in this Agreement; and

NOW THEREFORE, in consideration of the promises and agreements set out herein, the Department and SECURITY CREDIT hereby agree to the following;

1. Immediately upon signing this agreement, SECURITY CREDIT shall pay a civil penalty of \$1000.00 to the Department. The form of payment shall be 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." SECURITY CREDIT 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 18, 2018. 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. SECURITY CREDIT shall comply with all provisions of Chapter 58 of the General Statutes of North Carolina and Title 11 of the North Carolina Administrative Code that are applicable to SECURITY CREDIT.
3. This Agreement does not in any way affect the Department's disciplinary power in any future or follow-up examination of SECURITY CREDIT, or in any cases or complaints involving SECURITY CREDIT. In the event SECURITY CREDIT or any of its present or future locations fail to comply with this Agreement or otherwise fail to comply with the laws and rules applicable to SECURITY CREDIT, the Department may take any administrative or legal action it is authorized to take.
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.
5. SECURITY CREDIT enters into this Agreement freely and voluntarily and with knowledge of its right to have an administrative hearing on this matter. SECURITY CREDIT understands that it may consult with an attorney prior to entering into this Agreement.
6. This Voluntary Settlement Agreement, when finalized will be a public record and will not be treated as confidential.
7. This Agreement shall become effective when signed by SECURITY CREDIT and the Department.

SECURITY CREDIT SYSTEMS, INC.
Permit # 101523

By: _____

Angelo Travale
President

Date: _____

9/5/18

N.C. Department of Insurance

By: _____

Angela Hatchell
Deputy Commissioner

Date: _____

9/10/18