

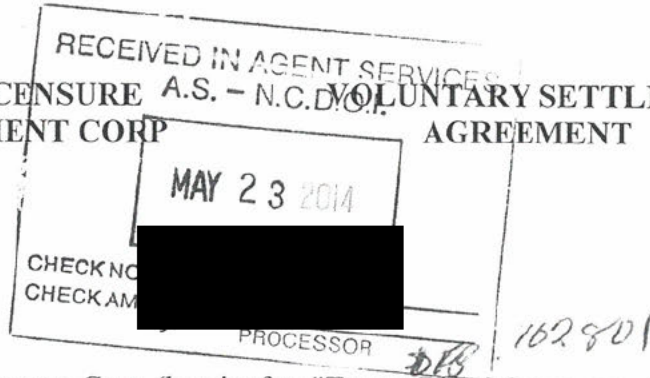
NORTH CAROLINA DEPARTMENT OF INSURANCE  
RALEIGH, NORTH CAROLINA

STATE OF NORTH CAROLINA  
COUNTY OF WAKE

BEFORE THE COMMISSIONER  
OF INSURANCE

IN THE MATTER OF THE LICENSURE A.S. - N.C.D.O.I. VOLUNTARY SETTLEMENT  
OF TOWER RISK MANAGEMENT CORP AGREEMENT

NPN No. 3244553



NOW COME Tower Risk Management Corp (hereinafter "Tower Risk Management Corp") 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 the insurance laws of this State, and for regulating and licensing insurance business entities; and

WHEREAS, Tower Risk Management Corp is domiciled in New York and holds a Business Entity license issued by the Department; and

WHEREAS, Tower Risk Management Corp was subject to an administrative action by the Virginia Department of Insurance in July 2013 concerning a failure to properly submit a surplus lines filing; and

WHEREAS, Tower Risk Management Corp was subject to an administrative action by the Louisiana Department of Insurance in December 2013 concerning a failure to timely report the Virginia administrative action; and

WHEREAS, Tower Risk Management Corp failed to report the Virginia and Louisiana administrative actions to the Department within thirty (30) days of the disposition of that matter as is required by N.C.G.S. § 58-33-32(k); and

WHEREAS, Tower Risk Management Corp' violation of N.C.G.S. § 58-33-32(k) as stated above constitutes a violation of the insurance laws pursuant to N.C.G.S. § 58-33-46(a)(2) for which its business entity license could be revoked; and

WHEREAS, Tower Risk Management Corp 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 Tower Risk Management Corp; and

WHEREAS, pursuant to N.C.G.S. § 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 mutually wish to resolve this matter by consent before the Department initiates an administrative hearing concerning this matter; 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 Tower Risk Management Corp hereby agree to the following:

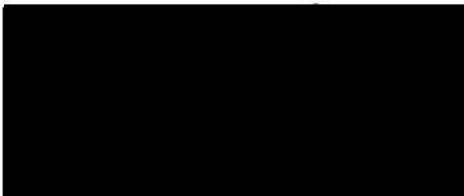
1. Immediately upon its signing of this document, Tower Risk Management Corp shall pay a civil penalty of **Five Hundred Dollars (\$500.00)** to the Department. The form of payment shall be in a certified check, cashiers check or money order. The check or money order for the payment of this civil penalty shall be payable to the "North Carolina Department of Insurance". Tower Risk Management Corp shall send the civil penalty by certified mail, return receipt requested, to the Department simultaneously with the return of this Agreement, signed by Tower Risk Management Corp. **The civil penalty and the signed Agreement must be received by the Department no later than June 6, 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. Tower Risk Management Corp enters into this Agreement freely and voluntarily and with knowledge of their right to have an administrative hearing on this matter. Tower Risk Management Corp understands that it 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 Tower Risk Management Corp or in any other complaints involving Tower Risk Management Corp.
4. The parties to this Agreement agree that this Agreement shall have the full force and effect of an Order of the Commissioner. Tower Risk Management Corp understands that N.C.G.S. 58-33-46(a)(2) provides that its license 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 licensees 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 Tower Risk Management Corp and the Department.

This the <sup>28<sup>th</sup></sup>~~13~~ day of May, 2014.

TOWER RISK MANAGEMENT CORP



Bruce Sanderson  
President

NORTH CAROLINA DEPARTMENT OF  
INSURANCE



By: Angela Ford  
Senior Deputy Commissioner

5-28-14

