

**NORTH CAROLINA DEPARTMENT OF INSURANCE
RALEIGH, NORTH CAROLINA**

RECEIVED IN AGENT SERVICES
A.S. – N.C.D.O.I.

APR 27 2022

**STATE OF NORTH CAROLINA
COUNTY OF WAKE**

**BEFORE THE COMMISSIONER
OF INSURANCE**

CHECK NO. [REDACTED]
CHECK AMT. 250
PROCESSOR

**IN THE MATTER OF THE LICENSURE
OF TRUHEARING, INC
LICENSE NO. 3001519131**

**VOLUNTARY SETTLEMENT
AGREEMENT**

NOW COME, TruHearing, Inc. (hereinafter “TruHearing” or “Licensee”) and the Agent Services Division of the North Carolina 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 regulates and licenses insurance producers in North Carolina; and

WHEREAS, TruHearing is a Utah corporation that was issued a nonresident business entity insurance producer license by the North Carolina Department of Insurance on September 15, 2021; and

WHEREAS, North Carolina General Statute § 58-33-32(k) requires producers to report to the Commissioner any administrative action taken against the producer in another state or by another governmental agency in this State, including enforcement actions taken against the producer by the Financial Industry Regulatory Authority (FINRA), within 30 days after the final disposition of the matter; and

WHEREAS, the Louisiana Department of Insurance entered a Notice of Fine on September 30, 2021 imposing a \$250.00 fine on TruHearing based on the finding that TruHearing provided incorrect, misleading, incomplete or materially false information on TruHearing’s application for a Louisiana insurance producer license; and

WHEREAS, TruHearing submitted a written demand for an appeal of the Louisiana Notice of Fine and a hearing was scheduled to occur in Docket Number 2021-7350-INS on December 13, 2021 before the Louisiana Division of Administrative Law; and

WHEREAS, on December 8, 2021, TruHearing withdrew its hearing request and the Louisiana Division of Administrative Law entered an Order terminating the adjudication, Docket Number 2021-7350-INS.

WHEREAS, TruHearing did not report the Louisiana administrative action taken against it within 30 days after the final disposition of that matter as required by North Carolina General Statute § 58-33-32(k), and, therefore, was in violation thereof; and

WHEREAS, TruHearing admits to this violation of North Carolina General Statute § 58-33-32(k); 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, TruHearing acknowledges that its failure to provide timely notice of the Louisiana administrative action in violation of N.C. Gen. Stat. § 58-33-32(k) would otherwise justify adverse administrative action against TruHearing's North Carolina nonresident business entity insurance producer license under N.C. Gen. Stat. § 58-33-46(a)(2); and

WHEREAS, pursuant to N.C. Gen. Stat. § 58-2-70(g), Agent Services Division, as an authorized designee of the Commissioner of Insurance, has express authority to negotiate a mutually acceptable agreement with any person as to the status of the person's North Carolina insurance license, or as to any civil penalty or restitution; and

WHEREAS, TruHearing has agreed to settle, compromise, and resolve the matters referenced in this Agreement on behalf of itself, and the Agent Services Division has agreed not to pursue additional civil ramifications, including penalties, sanctions, remedies, or restitution against TruHearing based on the matters and occurrences specifically referenced in this Agreement; and

WHEREAS, the parties to this Agreement mutually wish to resolve this matter by consent before the Agent Services Division initiates an administrative hearing, and have reached a mutually agreeable resolution of this matter as set out in this Agreement.

NOW, THEREFORE, in exchange for the consideration and promises and agreements set out herein, TruHearing and the Agent Service Division hereby agree to the following:

1. Immediately upon the signing of this Agreement, TruHearing shall pay a civil penalty of two hundred fifty dollars (**\$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." TruHearing shall remit the civil penalty by certified mail, return receipt requested, to NCDOI Agent Services Division (Attention: Roy Foster, ASD) together with a copy of this Agreement bearing the original signature of the corporate officer signing on TruHearing's behalf. **The civil penalty and the signed Agreement must be received by the Department no later than Monday, April 25, 2022.** 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 North Carolina Department of Insurance's or the Agent Service Division's disciplinary power in any future examination of TruHearing, or in any other complaints involving TruHearing.
3. TruHearing enters into this Agreement, on behalf of itself, freely and voluntarily and with the knowledge of its right to have an administrative hearing on this matter. TruHearing has consulted with its attorneys 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. TruHearing understands that N.C.G.S. § 58-33-46(a)(2) provides that an insurance 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 North Carolina Department of Insurance or the Agent Services Division. Following the execution of this Agreement, all licenses issued by the North Carolina Department of Insurance to TruHearing shall reflect that Regulatory Action has been taken against it. The North Carolina Department of Insurance 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 North Carolina Department of Insurance routinely provides copies of voluntary settlement agreements 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. This Agreement between TruHearing and the Agent Services Division shall become effective when signed by TruHearing's authorized corporate officer and by Angela Hatchell, Deputy Commissioner of the Agent Services Division.

8. Be aware that if a state or federal regulator other than the North Carolina Department of Insurance has issued an occupational or professional license to you, that regulator may require you to report this administrative action to it. The North Carolina Department of Insurance cannot give you legal advice as to the specific reporting requirements of other state or federal regulators.

TRUHEARING, INC.
NPN# 16181430 / N.C. License No. 3001519131

By: _____

Tommy MacDonald
President

Date: _____

4/19/2022

**AGENT SERVICES DIVISION OF THE
NORTH CAROLINA DEPARTMENT OF INSURANCE**

By: _____

Angela Hatchell
Deputy Commissioner of the Agent Services Division

Date: _____

4/27/2022