

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

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**STATE OF NORTH CAROLINA
COUNTY OF WAKE**

**BEFORE THE COMMISSIONER
OF INSURANCE**

**IN THE MATTER OF
THE LICENSURE OF
UNITED STATES AUTO CLUB,
MOTORING DIV., INC.
PERMIT # 51**

**VOLUNTARY SETTLEMENT
AGREEMENT**

NOW COME, UNITED STATES AUTO CLUB, MOTORING DIV., INC (hereinafter "US AUTO CLUB") 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 Motor Clubs and the business of motor clubs in this State; and

WHEREAS, US AUTO CLUB is a corporation organized and existing under the laws of the State of California, and is doing business and has been issued a permit by the Department to operate as a foreign motor club in North Carolina; and

WHEREAS, N.C. Gen. Stat. Sec. 58-69-5 provides that no motor club, district or branch office, or franchise motor club shall engage in business in this State unless it holds a valid license issued to it by the Commissioner; and

WHEREAS, N.C. Gen. Stat. Sec. 58-69-15 provides that all licenses and all renewals thereof shall expire on June 30 following issuance or renewal; and

WHEREAS, US AUTO CLUB failed to timely follow the process of renewal of its license to do business as a motor in North Carolina by June 30, 2019, and therefore was operating in North Carolina without an active license thereafter in violation of N.C. Gen. Stat. §§ 58-69-5 and 58-69-15; and

WHEREAS, US AUTO CLUB will be allowed to reinstate its authority back to July 1, 2018 by the Department, and be authorized to act as a motor club in North Carolina upon execution of this Agreement and payment of the imposed penalty; and

WHEREAS, US AUTO CLUB 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 this matter as set out in this Agreement; and


NOW THEREFORE, in consideration of the promises and agreements set out herein, the Department and **US AUTO CLUB** hereby agree to the following;


1. Immediately upon signing this agreement, **US AUTO CLUB** 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.” **US AUTO CLUB** 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 **November 04, 2019**. 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. **US AUTO CLUB** 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 **US AUTO CLUB**.
3. This Agreement does not in any way affect the Department’s disciplinary power in any future or follow-up examination of **US AUTO CLUB**, or in any cases or complaints involving **US AUTO CLUB**. In the event **US AUTO CLUB** 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 **US AUTO CLUB**, 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. **US AUTO CLUB** enters into this Agreement freely and voluntarily and with knowledge of its right to have an administrative hearing on this matter. **US AUTO CLUB** 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. All permits issued by the Department to **US AUTO CLUB** 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.
7. This Agreement shall become effective when signed by **US AUTO CLUB** and the Department.

**UNITED STATES AUTO CLUB,
MOTORING DIV., INC.**
Permit # 51

N.C. Department of Insurance

By: 
Staley Cash
President

By: 
Angela Hatchell
Deputy Commissioner

Date: 10/17/19

Date: 11/7/19