



**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
OF AMERICAN FINANCIAL
ALLIANCE CORP
LICENSE NO. 19565588**

**VOLUNTARY SETTLEMENT
AGREEMENT**

NOW COMES American Financial Alliance Corp (hereinafter "AFA") and the Agent Services Division (hereinafter "Agent Services Division") of the North Carolina Department of Insurance (hereinafter "Department"), and hereby voluntarily and knowingly enter into this Voluntary Settlement Agreement (hereinafter "Agreement").

WHEREAS, the Department has the authority and responsibility for the enforcement of the insurance laws of the State of North Carolina and for regulating and licensing insurance agents; and

WHEREAS, AFA currently holds a nonresident corporate insurance producer license with corporate lines of authority in the State of North Carolina; and

WHEREAS, North Carolina General Statute § 58-33-46 (a)(1) provide that the Commissioner may place on probation, suspend, revoke or refuse to issue or renew any license provided under Article 58 of the General Statutes of North Carolina for providing materially incorrect, misleading, incomplete or materially untrue information in the license application; and

WHEREAS, North Carolina General Statute § 58-33-46 (a)(2) provide that the Commissioner may place on probation, suspend, revoke or refuse to issue or renew any license provided under Article 58 of the General Statutes of North Carolina for a licensee 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 insurance regulator, or violating any rule of the FINRA; and

WHEREAS, North Carolina General Statute § 58-33-32 (k) require that an insurance producer report to the North Carolina Department of Insurance any administrative action taken against the producer in another state or by another governmental agency in the State within 30 days after the final disposition of the matter. The report of administrative action should include a copy of the order or consent order and other information or documents filed in the proceeding necessary to describe the action; and

WHEREAS, on or about September 12, 2022, the State of Washington Office of the Insurance Commissioner revoked the insurance producer license of AFA. The State of Washington Office of the Insurance Commissioner rescinded the revocation on January 13, 2023; and

WHEREAS, on or about January 13, 2023, and thirty days after said date, the State of Washington Office of the Insurance Commissioner imposed a monetary fine against AFA; and

WHEREAS, on or about February 14, 2023, AFA completed a renewal application for a North Carolina corporate insurance producer license and was asked the question:

Has the business entity or any owner, partner, officer or director of the business entity, or manager or member of a limited liability company, been named or involved as a party in an administrative proceeding, including a FINRA sanction or arbitration proceeding regarding any professional or occupational license or registration, which has not been previously reported to this insurance department; and

WHEREAS, on or about February 14, 2023, AFA responded to the aforementioned question with a “NO”; and

WHEREAS, AFA allegedly failed to notify the North Carolina Department of Insurance within 30 days from the effective dates of the State of Washington administrative actions as required by North Carolina General Statutes § 58-33-32 (k); and

WHEREAS, AFA allegedly provided materially incorrect, misleading, incomplete, or materially untrue information in the February 14, 2023 business entity application in violation of North Carolina General Statutes §58-33-46 (a)(1); and

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

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

NOW, THEREFORE, in exchange for the consideration, promises and agreements set out herein, AFA and the Department hereby agree to the following:

1. Immediately upon the signing of this Agreement, AFA shall pay a civil penalty of **\$500.00** 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”. AFA shall remit the civil penalty by certified mail, return receipt requested, to the Agent Services Division, 1204 Mail Service Center, Raleigh, NC 27699-1204, along with a copy of this signed Agreement. The civil penalty and the signed Agreement must be received by the North Carolina Department of Insurance no later than March 17, 2024. 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 Agent Services Division’s disciplinary power in any future investigation of AFA or in any other complaints involving AFA.
3. This Agreement does not in any way affect any fees associated with renewals, applications or reapplications for a North Carolina insurance producer license submitted by AFA. This Agreement is a reportable administrative action to all jurisdictions, including North Carolina.
4. AFA enters into this Agreement, freely and voluntarily, and with the knowledge of all rights to have an administrative hearing on this matter. AFA understands the right to consult with an attorney prior to entering into this Agreement.

5. The parties to this Agreement agree that this Agreement shall have the full force and effect of an Order of the Commissioner. AFA understands that N.C.G.S. § 58-33-46 (a)(2) provides that a producer's license may be revoked for violating an Order of the Commissioner.
6. This Agreement, when finalized, will be public record and will **not** be held confidential by the Agent Services Division. Following the execution of this Agreement, all licenses issued by the Agent Services Division to AFA shall reflect this Regulatory Action. The Agent Services Division 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 Agent Services Division, upon request, routinely will provide a copy of this voluntary settlement agreement to companies that appointed AFA.
7. Be aware that if a state or federal regulator has issued an occupational or professional license to you, that regulator may require you to report this administrative action to it. This agreement and fine is a reportable administrative action in all subsequent insurance producer applications and renewal applications.
8. The parties have read and understand this Agreement and agree to abide by the terms and conditions stated herein.

(SIGNATURE PAGE FOLLOWS)

N. C. Department of Insurance
Agents Services Division



By: David Li
President/Principal
For: American Financial Alliance
Corp
License No. 19565588

Date: 2/18/2015



By: Joe Wall
Deputy Commissioner

Date: 2/26/2025