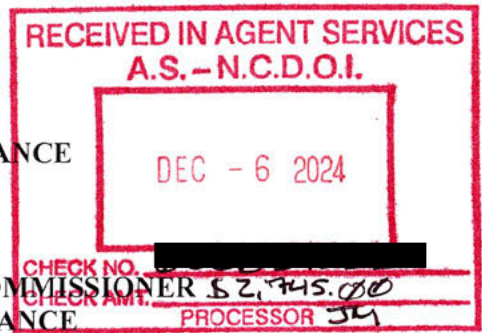


**NORTH CAROLINA DEPARTMENT OF INSURANCE  
RALEIGH, NORTH CAROLINA**

**STATE OF NORTH CAROLINA  
COUNTY OF WAKE**

**BEFORE THE COMMISSIONER OF INSURANCE**



**IN THE MATTER OF  
THE LICENSURE OF  
AVANT UNDERWRITERS LLC  
NPN: 13705659  
LICENSE NO. 1000312955**

**VOLUNTARY SETTLEMENT  
AGREEMENT**

**NOW COME**, AVANT UNDERWRITERS, LLC (hereinafter "AVANT") and the N.C. Department of Insurance Agent Services Division (hereinafter "Agent Services Division"), 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 agents and agencies; and

**WHEREAS**, AVANT currently holds a non-resident corporate and surplus lines business entity license issued by the Department and conducts business nationwide. AVANT is a managing general agency established in 1974 and located at 155 Franklin Road, Suite 200, Brentwood, Tennessee. The North Carolina premium for 2023 through October was \$708,670 representing eighty-four (84) policies in force, seventy-four (74) of which were written with admitted insurers and ten (10) through non-admitted insurers; and

**WHEREAS**, Agent Services Division investigators, on November 1, 2023, emailed AVANT and requested background information to conduct a routine review. AVANT responded on November 03, 2023 with a policy list of policies written from August 1, 2020 through August 01, 2023; and

**WHEREAS**, an employee list was also requested which indicated that there were two (2) agents authorized to write North Carolina admitted and non-admitted business; and

**WHEREAS**, investigators conducted a routine review to verify that all agency employees were appropriately licensed, to audit the agency's financials and to randomly review files. Due to violations observed during the compliance check, the review was modified to a target examination; and

**WHEREAS**, investigators reviewed ninety-six (96) policies, seventy-nine (79) admitted and seventeen (17) non-admitted. They observed that all 79 admitted policies and all but one of the non-admitted policies involved employees procuring coverage who were not properly licensed or appointed; and

**WHEREAS**, N.C. Gen. Stat. § 58-21-65(a) provides:

(a) For insureds whose home state is this State, no agent or broker licensed by the Commissioner shall directly procure any contract of surplus lines insurance with any non-admitted domestic surplus lines insurer or non-admitted insurer, unless he possesses a current surplus lines insurance license issued by the Commissioner; and

**WHEREAS**, N.C. Gen. Stat. § 58-33-26(a) & (b) provide:

(a) No person shall act as or hold himself or herself out to be an agent, broker, limited representative, adjuster, or motor vehicle damage appraiser unless duly licensed.

(b) No agent, broker, or limited representative shall make application for, procure, negotiate for, or place for others, any policies for any kinds of insurance as to which that person is not then qualified and duly licensed; and

**WHEREAS**, N.C. Gen. Stat. § 58-33-40(a) provides that no person shall solicit, negotiate, or otherwise act as an agent for an insurer unless appointed by such insurer; and

**WHEREAS**, AVANT, by allowing the procuring and negotiating of insurance coverages through admitted and non-admitted insurers by employees who were not properly licensed or appointed, was in violation of the provisions of N.C. Gen. Stats. §§ 58-33-26(a) & (b), 58-21-of 65(a) and 58-33-40(a); and

**WHEREAS**, AVANT has filed a corrective action plan with the Agent Services Division which sets forth the actions already taken and/or to be taken to prevent future occurrences of the violations set forth herein; and

**WHEREAS**, N. C. Gen. Stat. § 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**, N. C. Gen. Stat. § 58-2-70 provides that whenever the Commissioner has reason to believe that any person has violated any law that would subject the license or certification of that person to suspension or revocation, the Commissioner is authorized, in lieu of a hearing, to negotiate a mutually acceptable agreement as to the status of the person's license or certificate or to any civil penalty or restitution; and

**WHEREAS**, AVANT 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 these matters against AVANT; and

**WHEREAS**, this Agreement is civil in nature and does not preclude criminal prosecution that may result from investigations by the Department's Criminal Investigation Division for violations of criminal laws; and

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

1. Immediately upon the signing of this Agreement, AVANT shall pay a civil penalty of **\$2,745.00** to the Department. 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." AVANT shall remit the civil penalty by certified mail, return receipt requested, to the Agent Services Division 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 22, 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 examination of AVANT or in any complaints involving AVANT.
3. AVANT enters into this Agreement freely and voluntarily and with the knowledge of its right to have an administrative hearing on this matter and may consult with an attorney 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. AVANT understands that N.C.G.S. § 58-33-46(a)(2) provides that a corporate 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 Department. Following the execution of this Agreement, all licenses issued by the Department to AVANT shall reflect that Regulatory Action has been taken against it. 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.
6. The parties have read and understand this Agreement and agree to abide by the terms and conditions stated herein.
7. Be aware that if a state or federal regulator other than the N. C. Department of Insurance has issued an occupational or professional license to your business entity, that regulator may require you to report this administrative action to it. The N.C. Department of Insurance cannot give you legal advice as to the specific reporting requirements of other state or federal regulators.

AVANT UNDERWRITERS, LLC  
NPN: 13705659  
LICENSE NO. 1000312955

N.C. Department of Insurance  
Agent Services Division

  
By: Jennifer Creamer  
CCO

  
By: Joe Wall  
Deputy Commissioner

Date: 11/26/24/

Date: 12/6/2024