

**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  
CHARLES BRADSHER  
LICENSE NO. 0006591771**

**VOLUNTARY SETTLEMENT  
AGREEMENT**



**NOW COME**, Charles Bradsher (hereinafter "Mr. Bradsher") and the Agent Services Division of the N.C. 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 has the authority and responsibility for enforcement of the insurance laws of this State, and for regulating and licensing insurance agents and insurance agencies; and

**WHEREAS**, Mr. Bradsher currently holds a resident producer's license with authority for Property and Casualty lines of insurance issued by the Agent Services Division; and

**WHEREAS**, an agency review was conducted by Department investigators at the Bradsher & Bunn Agency in Raleigh, North Carolina, where Mr. Bradsher is Agency Owner to verify that all agency employees are appropriately licensed, to audit the agency's financials, and to randomly review files to verify proper underwriting; and

**WHEREAS**, the review was initiated by a call by another insurance agent indicating that questionable certificates of insurance that appeared to be issued by Bradsher & Bunn for her insured, McNarch Premium Services, Inc./Keith McCrimmon, in that there appeared to be inaccurate information thereon and potentially gaps in coverage; and

**WHEREAS**, Department investigators met with Ms. Dyan Conway, Agency Manager, on August 17, 2022 to address the complaint and conduct a file review. Ms. Conway indicated that since she had no knowledge of the financials a meeting would have to be scheduled with the agency owner Mr. Charles Bradsher, which ultimately had to be delayed until October 5, 2022 because of his health issues; and

**WHEREAS**, N.C. Gen. Stat. § 58-33-26(a) provides that: 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; and

**WHEREAS**, N.C. Gen. Stat. § 58-33-26(b) provides that: No agent, broker, or limited representative shall make application for, procure, negotiate for, or place for others, any policies for any kind of insurance as to which that person is not then qualified and duly licensed; and

**WHEREAS**, it appears that Mr. Bradsher's license expired on June 30, 2021; however, he continued to quote business and pass along the quotes to Agent Dyan Conway. Mr. Bradsher's license was reinstated on October 10, 2022 upon payment of a \$75.00 reinstatement fee; and

**WHEREAS**, Mr. Bradsher, for the time his license was not in force, was in violation of the provisions of N.C. Gen. Stat. § 58-33-26(a) and (b); and

**WHEREAS**, N.C. Gen. Stat. § 58-2-185 provides: All companies, agents, or brokers doing any kind of insurance business in this State must make and keep a full and correct record of the business done by them, showing the number, date, term, amount insured, premiums, and the persons to whom issued, of every policy or certificate or renewal. Information from these records must be furnished to the Commissioner on demand, and the original books of records shall be open to the inspection of the Commissioner when demanded; and

**WHEREAS**, N.C. Gen. Stat. § 58-2-195(b) provides: Every insurance agency transacting insurance business in this State shall at all times have appointed some person employed or associated with such agency who shall have the responsibility of seeing that such records and reports as are required pursuant to the provisions of this section are kept and maintained; and

**WHEREAS**, 11 NCAC 19.0102 MAINTENANCE OF RECORDS provides: (a) Every insurer licensed to do business in this State shall maintain for at least five years all records, books, documents, and other business records that are required by this Section and by Chapter 58 of the North Carolina General Statutes; (b) Every agency, agent, broker, or producer of record shall maintain a file for each policy sold. The file shall contain all work papers and written communications in his or her possession pertaining to that policy. These records shall be retained for at least five years after the final disposition or for domestic companies, until the Commissioner has adopted a final report of a general examination that contains a review of these records for that calendar year, whichever is later; and

**WHEREAS**, 11 NCAC 19.0104 POLICY RECORDS PROVIDES: Each insurer or its agents shall maintain or cause to be maintained a record of each policy that specifies the policy period, basis for rating, and if terminated, documentation supporting policy termination by the insurer or policyholder, and accounting records indicating return premium amounts. These records shall be retained for at least five years after the termination of the policy or, for domestic companies until the Commissioner has adopted a final report of a general examination that contains a review of these records for that calendar year, whichever is later; and

**WHEREAS**, it appears that the agency is in violation of N.C. Gen. Stats. §§ 58-2-185, 58-2-195(b) and 11 NCAC 19.0102 and 19.0104 in that the agency by not receipting check-paying customers created a situation whereby Department investigators were unable to trace premium funds. Investigators were able to determine when the funds were deposited and swept by the insurers, but could not determine when the funds were received by the agency as there were no receipts provided; and

**WHEREAS**, 11 NCAC 04.0429 COMMINGLING provides that the accounting records maintained by agents, brokers, and limited representatives shall be separate and apart from any other business records and demonstrate at all times that collected funds due to insurers and return premiums due to policyholders are available at all times; and

**WHEREAS**, the Agency has a combined premium account. Bank records were reviewed from July 2017 through July 2022. A credit line was accessed twenty-four (24) times resulting in loan advances in excess of the credit line and a non-sufficient funds (NSF) situation, Department investigators observed twenty-five (25) days with NSF paid item charges and NSF returned item charges. On days when the



credit line was accessed and NSF's were charged, fifty-three (53) premium drafts and two (2) premium checks were presented for payment, which illustrated that premium funds were not available to insurers at all times, a violation of 11 NCAC 04 .0429; and

**WHEREAS**, N.C. Gen. Stat. § 58-36-30(a) provides, among other things, that no insurer and no officer, agent, or representative of an insurer shall knowingly issue or deliver or knowingly permit the issuance or delivery of any policy of insurance in this State that does not conform to the rates, rating plans, classifications, schedules, rules, and standards made and file by the Bureau; and

**WHEREAS**, it appears that the Agency mis-rated four (4) policies. Three (3) policies indicated that the line of work to be insured was "Property Maintenance and Lawn Care". One (1) policy was coded "Lawn Care" only. A second was coded "Auditor, Accountant, or Computer System Designer or Programmer-Traveling." A third was coded "Clerical Office Employees." A fourth policy was coded "Clerical" instead of "Electrical Work."

**WHEREAS**, Mr. Bradsher has submitted a "corrective action plan" to the Agent Service Division setting forth what the agency has done and will do to avoid future occurrences of the violations addressed in this Voluntary Settlement Agreement and agrees to follow such procedures; and

**WHEREAS**, pursuant to N.C. Gen. Stat. § 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**, Mr. Bradsher has agreed to settle, compromise, and resolve the matters referenced in this Agreement on behalf of himself and the Agent Services Division has agreed not to pursue additional civil ramifications, including penalties, sanctions, remedies, or restitution based on these matters against Mr. Bradsher; and

**WHEREAS**, the parties to this Agreement mutually wish to resolve this matter by consent 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, Mr. Bradsher and the Agent Services Division hereby agree to the following:

1. Immediately upon the signing of this Agreement, Mr. Bradsher shall pay a civil penalty of **\$12,500.00** 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." Mr. Bradsher 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 **March 23, 2023**. 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 Mr. Bradsher or in any other complaints involving Mr. Bradsher.
3. Mr. Bradsher enters into this Agreement, on behalf of himself, freely and voluntarily and with the knowledge of his right to have an administrative hearing on this matter. Mr. Bradsher understands he 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. Mr. Bradsher understands that N.C.G.S. § 58-33-46(a)(2) provides that an agent'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 Agent Services Division. Following the execution of this Agreement, any and all licenses issued by the Department to Mr. Bradsher shall reflect that Regulatory Action has been taken against him. 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, will routinely provide a copy of the voluntary settlement agreement 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. Be aware that if a state or federal regulator other than the Agent Services Division has issued an occupational or professional license to you, that regulator may require you to report this administrative action to it. The Agent Services Division cannot give you legal advice as to the specific reporting requirements of other state or federal regulator.

**N. C. Department of Insurance  
Agent Services Division**



By: Charles Bradsher  
License No. 0006591771



By: Angela Hatcher  
Deputy Commissioner

Date: 3/21/23

Date: 3/30/2023