

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  
MARGARET BUCHANAN  
(NPN # 20626438)

Respondent.

ORDER AND  
FINAL AGENCY DECISION

Docket Number: 2268

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**THIS MATTER** came on for hearing on April 24, 2025, in the Hearing Room of the North Carolina Department of Insurance located at 3200 Beechleaf Court, Wake County, North Carolina, before the undersigned Hearing Officer, as designated by the North Carolina Commissioner of Insurance (“Commissioner”) under N.C. Gen. Stat. § 58-2-55.

Petitioner, the Agent Services Division of the North Carolina Department of Insurance (“Petitioner” or “Agent Services”), was represented by Assistant Attorney General Whitney Shaffer. Respondent Margaret Buchanan (“Respondent”) did not appear and was not represented by counsel at the hearing.

Agent Services moved, pursuant to 11 N.C.A.C. 1.0423(A), for the imposition of sanctions due to Respondent’s failure to appear at the hearing. Petitioner’s motion for sanctions was DENIED. The undersigned Hearing Officer proceeded to accept and consider testimony and evidence offered by Agent Services in support of its Petition at the hearing.

Agent Services’ Exhibits 1 through 9, and all subparts, were admitted into evidence.

Dawne Pittman, Insurance Regulatory Analyst, appeared and testified on behalf of Agent Services.

BASED UPON the careful consideration of the evidence and arguments presented at the hearing by Agent Services, and based upon the entire record in this proceeding, the Hearing Officer hereby makes the following Findings of Fact and Conclusions of Law:

## FINDINGS OF FACT

1. Agent Services is a division of the North Carolina Department of Insurance (“NCDOI”), which is a state agency responsible, in accordance with Chapter 58 of the North Carolina General Statutes, for enforcement of insurance laws and regulating and licensing insurance producers.

2. Respondent is a resident of North Carolina. On June 6, 2023, Respondent applied for an insurance producer license with lines of authority in Life (“the Application”). *See* Pet’r’s Ex. 3.

3. Service of the Notice of Administrative Hearing providing Respondent with due notice of the April 24, 2025 hearing was perfected on February 28, 2025 by delivery by first class mail, return receipt requested, addressed to Respondent at the residence address provided to Agent Services by Respondent, as shown by the Affidavit of Service admitted into evidence at the hearing. *See* Pet’r’s Ex. 2.

4. Dawne Pittman is an Insurance Regulatory Analyst with Agent Services. Among her duties, she handles investigations of prospective North Carolina insurance producers.

5. In her June 6, 2023 Application, Respondent answered “No” to the following questions: “Have you ever been convicted of a misdemeanor, had a judgment withheld or deferred, or are you currently charged with committing a misdemeanor?” and “Have you ever been convicted of a felony, had a judgment withheld or deferred, or are you currently charged with committing a felony?” *See* Pet’r’s Ex. 3.

6. A criminal history background check conducted on behalf of Agent Services revealed the following criminal convictions:

- On or about May 27, 1982, Respondent was found guilty of Misdemeanor Obtaining Public Assistance by Fraud.
- On or about October 5, 1993, Respondent was found guilty of Felony Possession of a Forged Instrument.
- On or about July 22, 1996, Respondent was found guilty of Misdemeanor Larceny.
- On or about December 23, 1996, Respondent was found guilty of Misdemeanor Forgery.

- On or about June 9, 1997, Respondent was found guilty of Felony Possession of a Forged Instrument in the Second Degree.
- On or about November 6, 2002, Respondent was found guilty of Misdemeanor Larceny.
- On or about April 14, 2005, Respondent was found guilty of Misdemeanor Possession of Marijuana.
- On or about July 7, 2005, Respondent was found guilty of Misdemeanor Larceny.
- On or about March 7, 2006, Respondent was found guilty of Felony Obtaining Property by False Pretense.

*See Pet'r's Ex. 16.*

7. On July 27, 2023, Agent Services denied Respondent's Application pursuant to N.C. Gen. Stat. § 58-33-46(a)(6), which allows ASD to refuse to issue a license if the applicant has been "convicted of a felony or a misdemeanor involving dishonesty and a breach of trust." *See Pet'r's Ex. 4.*

8. Respondent requested a review of the denial of the Application. She communicated with Ms. Pittman about the review process. Several review sessions were scheduled and rescheduled; the denial review was ultimately set for a final date of March 21, 2024. *See Pet'r's Ex. 5-12.*

9. On March 21, 2024, Respondent failed to appear at the denial review. Agent Services thus continued to deny Respondent's Application. *See Pet'r's Ex. 13-14.*

10. Respondent timely requested a formal hearing to appeal the denial of the Application. *See Pet'r's Ex. 15.*

### **CONCLUSIONS OF LAW**

1. This matter is properly before the Commissioner, and the Commissioner has jurisdiction over the parties and the subject matter.

2. Respondent was properly served with the Notice of Administrative Hearing in this matter but failed to attend the April 24, 2025 hearing or retain counsel to represent her at the hearing.

3. N.C. Gen. Stat. § 58-33-30(g) grants the Commissioner authority to deny an application for issuance of a license for any reason for which the license may be suspended, revoked, or not renewed under N.C. Gen. Stat. § 58-33-46.

4. N.C. Gen. Stat. § 58-33-46(a)(1) provides that the Commissioner may refuse to renew a license for “providing materially incorrect, misleading, incomplete, or materially untrue information in the license application.”

5. Respondent provided materially incorrect information when she answered “No” to the North Carolina insurance producer license application questions, “Have you ever been convicted of a misdemeanor, had a judgment withheld or deferred, or are you currently charged with committing a misdemeanor?” and “Have you ever been convicted of a felony, had a judgment withheld or deferred, or are you currently charged with committing a felony?” in violation of N.C. Gen. Stat. § 58-33-46(a)(1).

6. Respondent’s failure to provide accurate reporting of prior convictions in her application for a producer license is a serious offense that deprives NCDOT of information directly relevant to its evaluation of whether a licensee should be entitled to engage in the insurance business in North Carolina.

7. Additionally, N.C. Gen. Stat. § 58-33-46(a)(6) provides that the Commissioner may refuse to renew a license for the applicant’s having been “convicted of a felony or a misdemeanor involving dishonesty and a breach of trust.”

8. Agent Services’ evidence shows that Respondent was convicted of felonies and misdemeanors involving dishonesty when she was found guilty of larceny, forgery, and possession of forged instruments on multiple occasions.

9. Pursuant to N.C. Gen. Stat. § 93B-8.1, the undersigned Hearing Officer considers certain of Respondent’s prior criminal convictions to be relevant to the reasons for denying Respondent’s application. Specifically:

- a. Notwithstanding their age, eight out of Respondent’s nine convictions are misdemeanors or felonies for dishonesty and a breach of trust, most often through various means of financial fraud. *See* N.C. Gen. Stat. § 93B-8.1(b1)(1) (a licensing agency can consider the level and seriousness of prior convictions);
- b. Even after originally being convicted of obtaining government benefits through fraud in 1982, Respondent continued to be convicted for crimes involving financial dishonesty up until 2006. *See* N.C. Gen. Stat. § 93B-8.1(b1)(7) (a licensing agency can consider whether, after an initial conviction, the applicant subsequently committed crimes); and
- c. Respondent’s eight convictions for financial dishonesty all have a direct nexus with the sort of financial trust Respondent would be expected to

exercise were she to receive a producer license. *See* N.C. Gen. Stat. § 93B-8.1(b1)(5) (a licensing agency can consider “the nexus between the criminal conduct and the prospective duties of the applicant as a licensee.”).

10. Based on the evidence received and the applicable law, the undersigned Hearing Officer concludes that Respondent’s North Carolina non-resident insurance producer should continue to be denied under N.C. Gen. Stat. §§ 58-33-46(a)(1) and (6).

BASED UPON the foregoing Findings of Fact and Conclusions of Law, the Hearing Officer enters the following:

**ORDER**

It is ORDERED that Respondent’s application for a North Carolina Insurance Producer’s license is hereby **DENIED**.

This 20 day of June, 2025.



Terence D. Friedman  
Hearing Officer  
N.C. Department of Insurance

## APPEAL RIGHTS

This is a Final Agency Decision issued under the authority of N.C. Gen. Stat. § 150B, Article 3A.

Under the provisions of N.C. Gen. Stat. 150B-45, any party wishing to appeal a final decision of the North Carolina Department of Insurance must file a Petition for Judicial Review in the Superior Court of the County where the person aggrieved by the administrative decision resides, or in the case of a person residing outside the State, the county where the contested case which resulted in the final decision was filed. The appealing party must file the petition within 30 days after being served with a written copy of the Order and Final Agency Decision. In conformity with 11 NCAC 01 .0413 and N.C. Gen. Stat. § 1A-1, Rule 5, this Order and Final Agency Decision was served on the parties on the date it was placed in the mail as indicated by the date on the Certificate of Service attached to this Order and Final Agency Decision. N.C. Gen. Stat. § 150B-46 describes the contents of the Petition and requires service of the Petition on all parties. The mailing address to be used for service on the Department of Insurance is: Amy Funderburk, General Counsel, 1201 Mail Service Center, Raleigh, NC 27699-1201.

**CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that I have this day served the foregoing **ORDER AND FINAL AGENCY DECISION** by mailing copies of the same via certified U.S. mail, return receipt requested and via first class U.S. mail to the Respondent at the addresses provided to the Commissioner pursuant to N.C. Gen. Stat. § 58-2-69(b); and via State Courier to Attorney for Petitioner, addressed as follows:

Margaret Buchanan  
5317 Firelight Lane, Unit D  
Charlotte, NC 28212  
*(Respondent)*

**Certified Mail Tracking Number: 9589 0710 5270 0742 5906 13**

Whitney N. Shaffer  
Assistant Attorney General  
N.C. Department of Justice  
Insurance Section  
9001 Mail Service Center  
Raleigh, NC 27699-9001  
*(Attorney for Petitioner)*

This 20<sup>th</sup> day of June, 2025.



Raheema I. Moore  
Clerk of Court for Administrative Hearings  
Paralegal III  
N.C. Department of Insurance  
General Counsel's Office  
1201 Mail Service Center  
Raleigh, NC 27699-1201