

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  
WILLIAM A. CAYCE  
(NPN # 5037670)

Respondent.

ORDER AND  
FINAL AGENCY DECISION

Docket Number: 2236

---

**THIS MATTER** was heard on November 18, 2024 by the undersigned Hearing Officer, as designated by the Commissioner of Insurance pursuant to N.C. Gen. Stat. § 58-2-55 and other applicable statutes and regulations. The administrative hearing was held in the North Carolina Department of Insurance’s Hearing Room, Room # 211, located at 3200 Beechleaf Court, Raleigh, Wake County, North Carolina.

Petitioner, the Agent Services Division of the North Carolina Department of Insurance (“Petitioner” or “ASD”), was present and represented by Assistant Attorney General Kristin K. Mullins. Respondent, William A. Cayce (“Respondent”) did not appear and was not represented by counsel at the hearing.

Petitioner moved, pursuant to 11 NCAC 01 .0423(a)(1), 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 allowed Petitioner to continue with its presentation of testimony and evidence in this matter.

Matthew Reck, a Complaint Analyst for ASD, appeared and testified on behalf of the Petitioner.

Petitioner’s Exhibits 1 through 17 and all subparts, were admitted into evidence with redactions from Petitioner’s Exhibits 3 and 5.

BASED UPON careful consideration of the documentary and testimonial evidence introduced at the hearing and upon the entire record in the proceeding, the Hearing Officer hereby makes the following Findings of Fact and Conclusions of Law:

**FINDINGS OF FACT**

1. The North Carolina Department of Insurance (“NCDOI”) is a state agency responsible for enforcement of the insurance laws of North Carolina and for

regulating and licensing insurance producers, in accordance with Chapter 58 of the North Carolina General Statutes.

2. The Notice of Administrative Hearing and Petition for Administrative Hearing were properly served on Respondent by depositing in the United States Postal Service via first-class mail and via certified mail, return receipt requested, pursuant to N.C. Gen. Stat. §§ 58-2-69(b), (d) and (e) and Rule 4 of the North Carolina Rules of Civil Procedure. *See* Pet'r's Exs. 1 and 2. The certified mail was returned. *Id.*

3. The Notice of Administrative Hearing and Petition for Administrative Hearing were served on Respondent at Respondent's mailing address of record via Federal Express-Priority Overnight on November 1, 2024. *See* Pet'r's Ex. 2.

4. Respondent holds an active non-resident North Carolina Insurance Producer License, National Producer Number 5037670, with lines of authority for Life, Accident & Health or Sickness, and Medicare Supplement/Long Term Care ("License"). *See* Pet'r's Exs. 3 and 4. Respondent's License was first active in North Carolina on July 18, 2022. *Id.* Respondent is a resident of Missouri. *Id.*

5. Matthew Reck is a Complaint Analyst with ASD, and his job responsibilities includes handling enforcement files for ASD. This includes handling an investigation of a licensee if another state takes administrative action against the licensee. Administrative actions are reflected on the Regulatory Information Retrieval System ("RIRS") report, which is an automatic notification system through the National Association of Insurance Commissioners ("NAIC"). This system generates Personalized Information Capture System alerts ("PIC alert") that notify NCDOI if another state has taken administrative action against a North Carolina licensee.

6. Mr. Reck was assigned the PIC alert for Respondent that the New York Department of Financial Services entered into NAIC on June 13, 2023. *See* Pet'r's Ex. 5. Mr. Reck has handled the investigation of Respondent's enforcement file from ASD through the date of the hearing.

7. As part of his investigation, Mr. Reck obtained a copy of the administrative action from Colleen M. Draper, Special Deputy Superintendent with the New York State Department of Financial Services ("New York administrative action"). *See* Pet'r's Ex. 9. On March 8, 2023, Respondent's application for a New York State insurance producer license was denied on the grounds that Respondent demonstrated untrustworthiness and/or incompetence within the meaning and intent of New York State Insurance Law. *Id.*

8. A licensee may report an administrative action by uploading documents to the NIPR Attachment Warehouse or reporting it directly to NCDOI via mail, e-

mail, or fax.

9. Pursuant to N.C. Gen. Stat. § 58-33-32(k), a licensee is obligated to report any administrative action taken against the licensee to NCDOI within thirty (30) days. The NIPR Attachment Warehouse shows that Respondent did not report the New York administrative action within thirty (30) days from its effective date of March 8, 2023. *See* Pet'r's Exs. 7 and 8. Furthermore, Respondent did not report the March 8, 2023 New York administrative action directly to NCDOI.

10. On June 15, 2023, ASD sent correspondence via e-mail to Respondent's e-mail addresses of record informing Respondent that ASD was aware of the unreported New York administrative action and explained the statutory requirement to report within thirty (30) after the final disposition. *See* Pet'r's Exs. 6 and 10. Respondent was instructed to provide a written response, along with documentation regarding the New York administrative action within ten (10) days. *See* Pet'r's Ex. 10. Respondent failed to provide any response to this correspondence.

11. On June 26, 2023, ASD sent a follow-up correspondence via e-mail to Respondent's e-mail addresses of record noting that Respondent failed to provide a response to the previous correspondence and attaching a copy of the June 15, 2023 correspondence. *See* Pet'r's Exs. 6 and 11. This email gave Respondent notice that unless Respondent provided a response to ASD within ten (10) days, ASD would consider Respondent to be in violation of N.C. Gen. Stat. §§ 58-2-185 and 58-2-195. *See* Pet'r's Ex. 11.

12. On June 26, 2023, Respondent contacted ASD apologizing and explaining about having a death in the family and dealing with a work issue. *See* Pet'r's Ex. 6.

13. On July 19, 2023, ASD sent a follow-up e-mail to Respondent's e-mail address of record noting that Respondent has failed to provide the required documentation and explanation to NCDOI regarding the New York denial. *See* Pet'r's Ex. 12. On July 24, 2023, Respondent replied to the same e-mail thread as the July 19, 2023 e-mail stating that the denial was due to an event that took place in his office by his office manager. *Id.* On that same day, ASD replied to the e-mail thread asking Respondent to provide a copy of the denial. *Id.* On August 1 2023, Responded replied to the e-mail thread that he would look it up and send it to ASD. *Id.* Respondent failed to send the requested document.

14. On September 25, 2023, ASD sent correspondence via first-class U.S. Mail to Respondent's residential address of record and e-mailed a copy of the letter to Respondent's e-mail address of record requesting that Respondent attend an informal conference to discuss the allegations. *See* Pet'r's Ex. 13. The informal

conference was scheduled for Respondent on October 24, 2023, at 11:30 a.m. eastern time via the telephone. *Id.*

15. On October 23, 2023, ASD sent another e-mail to Respondent's e-mail address of record to remind Respondent of the informal telephonic conference that was scheduled for the next day. *See* Pet'r's Ex. 14. On October 24, 2023, approximately thirty minutes before the scheduled informal telephonic conference, Respondent replied to this e-mail referring to an event that occurred in 2009 and attaching documents related to a Missouri action, but nothing regarding the New York administrative action. *Id.*

16. At the appointed time for the October 24, 2023 informal telephonic conference, Respondent did not answer the call from ASD and ASD left a voicemail for Respondent. *See* Pet'r's Ex. 6. Later that day, Respondent contacted ASD advising that he had a conflict due to work and would need to reschedule the informal telephone conference. *Id.* The informal telephone conference was rescheduled for January 3, 2024 at 2:00 p.m. *Id.*

17. On November 21, 2023, ASD sent correspondence via first-class U.S. Mail to Respondent's residential address of record and e-mailed a copy of the letter to Respondent's e-mail address of record informing him that the informal telephonic conference had been rescheduled for January 3, 2024 at 2:00 p.m. eastern time. *See* Pet'r's Ex. 15.

18. On January 2, 2024, ASD sent another e-mail to Respondent's e-mail address of record to remind Respondent of the informal telephonic conference that was scheduled for the next day. *See* Pet'r's Ex. 16.

19. At the January 3, 2024 informal telephonic conference, Respondent did not answer the call from ASD and ASD left a voicemail for Respondent. *See* Pet'r's Ex. 6.

20. On February 7, 2024, ASD sent correspondence via U.S. Mail to Respondent's residential address of record and e-mailed a copy of the letter to Respondent's e-mail address of record advising Respondent that he failed to respond to NCDOI's repeated attempts to resolve this matter and he missed the informal telephonic conference. *See* Pet'r's Ex. 17. This correspondence informed Respondent that formal proceedings would be instituted under Article 3A of Chapter 150B, and an administrative hearing would be scheduled in Raleigh, N.C. at a time and date to be determined. *Id.* Respondent failed to provide any response to this correspondence.

21. Respondent updated his residential address of record via NAIC at some point after February 7, 2024. *See* Pet'r's Exs. 3 and 4.

22. As of the date of the hearing, Respondent had failed to report the March 8, 2023 New York administrative action directly to NCDOI or via the NIPR Attachment Warehouse.

### CONCLUSIONS OF LAW

1. This matter is properly before the Commissioner. The Commissioner has jurisdiction over the parties and the subject matter pursuant to Chapter 58 of the North Carolina General Statutes.

2. Respondent was properly served with the Notice of Administrative Hearing and Petition for Administrative Hearing pursuant to N.C. Gen. Stat. §§ 58-2-69(d) and (e) and Rule 4 of the North Carolina Rules of Civil Procedure.

3. N.C. Gen. Stat. § 58-33-32(k) requires an insurance producer to report to the Commissioner any administrative action taken against the producer in another state within 30 days after the final disposition of the matter and to include a copy of the order or consent order and other information or documents filed in the proceeding necessary to describe the action. Respondent was required to report the New York administrative action (effective March 8, 2023) within thirty (30) days of the action's effective date.

4. Respondent's failure to report and provide a copy of the New York administrative action within thirty (30) days after March 8, 2023 is a violation of N.C. Gen. Stat. § 58-33-32(k).

5. N.C. Gen. Stat. § 58-33-46(a)(2) allows the Commissioner to place on probation, suspend, or revoke the license of a licensee who has violated any insurance law of this or any other state, violated any administrative rule, subpoena, or order of the Commissioner or of another state's insurance regulator, or violated any rule of FINRA.

6. Respondent's non-resident insurance producer license is subject to disciplinary action due to his violation of N.C. Gen. Stat. § 58-33-32(k) for failing to report the New York administrative action within thirty (30) days of the action's final disposition.

7. N.C. Gen. Stat. § 58-2-70(c) provides that if, under subsection (b) of this section, the Commissioner finds a violation of this Chapter, the Commissioner may, in addition to or instead of suspending or revoking the license, order the payment of a monetary penalty as provided in subsection (d) of this section. Respondent's failure to report and provide a copy of the March 8, 2023 New York administrative action within thirty (30) days of the action's final disposition subjects Respondent's non-resident insurance producer license to suspension or revocation in accordance with

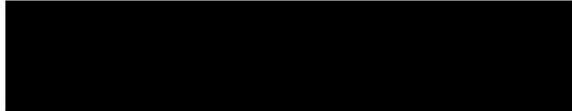
N.C. Gen. Stat. § 58-2-70(b).

**ORDER**

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

It is ORDERED that Respondent's non-resident insurance producer license issued by the North Carolina Department of Insurance is hereby **REVOKED**, effective five (5) days from the signing of this Order.

This the 12<sup>th</sup> day of February, 2025.



Shannon Wharry  
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. § 1 A-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, including explicitly stating what exceptions are taken to the decision or procedure and what relief the petitioner seeks, and requires service of the Petition by personal service or by certified mail upon all who were parties of record to the administrative proceedings. 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 a copy of the same via certified U.S. Mail, return receipt requested; via first class U.S. Mail to the licensee, at the address 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:

William A. Cayce  
16815 Chesterfield Circle  
Chesterfield, MO 63005-1665  
*(Respondent)*

**Certified Mail Tracking Number: 7022 2410 2222 9662 6663**

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

This the 12<sup>th</sup> day of February, 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