

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 PERMIT OF)
GLASS MOUNTAIN CAPITAL,)
LLC)
Applicant.)

ORDER AND
FINAL AGENCY DECISION

Docket Number: 2241

THIS MATTER was heard on December 18, 2024, by the undersigned Hearing Officer, as designated by the Commissioner of Insurance pursuant to N. C. Gen. Stat. § 58-2-55. The administrative hearing was held in the Hearing Room of the North Carolina Department of Insurance (“NCDOI”) located at 3200 Beechleaf Court, Raleigh, 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 Nicholas B. Sorensen. Areli Tejero, an Accountant and Non-Insurance Business Examiner with ASD, appeared and testified on behalf of Petitioner. Applicant Glass Mountain Capital, LLC (“Applicant”) failed to appear and was not represented by counsel at the hearing.

The undersigned Hearing Officer accepted and considered testimony and evidence offered by ASD in support of the Petition at the hearing. *See* Pet’r’s Ex. 1.

Petitioner’s Exhibits 1-8 and 11-12 were admitted into evidence. Petitioner’s Exhibits 9 and 10 were marked for identification purposes only.

The Petition for Administrative Hearing alleged that Applicant requested a hearing pursuant to N.C. Gen. Stat. § 58-70-30 following the denial of its application for a collection agency permit.

BASED UPON careful consideration of the allegations set forth in the Notice of Administrative Hearing (“Notice”) and attached Petition for Administrative Hearing (“Petition”) in this matter, as well as documentary and testimonial evidence presented at the hearing, the undersigned 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, in accordance with Chapter 58 of the North Carolina General Statutes, for the enforcement of the insurance laws of North Carolina.

2. Subsections (b), (d) and (e) of N.C. Gen. Stat. § 58-2-69 provide authority for the Commissioner to give notice to any licensee by sending such notices by first-class mail at the address or addresses that a licensee provides to the Commissioner pursuant to N. C. Gen. Stat. § 58-2-69(b). Applicant provided the following address to the Commissioner (*see* Pet’r Exs. 1, 2, and 3):

GLASS MOUNTAIN CAPITAL, LLC
1375 E. WOODFIELD RD., STE. 400
SCHAUMBERG, IL 60173

3. The Affidavit of Service indicates that, on October 28, 2024, copies of the Notice of Hearing and Petition were deposited with the United States Postal Service to the address provided by Applicant and contained in the licensing records of Petitioner. The Notice of Hearing and Petition were delivered to Applicant at the address provided on November 1, 2024. *See* Pet’r Ex. 2.

4. On June 7, 2024, Applicant submitted an application to NCDOI for a collection agency permit. The application listed Teresa Lacey as the licensee contact for Applicant. This application was reviewed by Ms. Tejero to determine if Applicant met the statutory requirements for a permit. *See* Pet’r’s Ex. 3.

5. On section 5.3 of the application, Applicant was notified that N.C. Gen. Stat. § 58-70-5(a)(11) requires an applicant to upload a balance sheet as of the last day of the month prior to the submission of the application. The balance sheet must be certified true and correct by an officer, partner, or proprietor, setting forth the current assets, fixed assets, current liabilities, and positive net worth of the applicant. *See* Pet’r’s Ex. 3.

6. Applicant acknowledged in section 5.3 of the application that its application could be denied if it was unable to meet the conditions of N.C. Gen. Stat. § 58-70-5(a)(11). Applicant attached a balance sheet to this section as part of their application. *See* Pet’r’s Ex. 3.

7. The balance sheet attached to section 5.3 of the initial application was dated March 31, 2024, did not contain a certification from an officer or member of the entity, and reflected a negative total equity or net worth. Applicant’s total assets of \$2,614,816.00 were outweighed by total liabilities of \$3,329,805.00, which left the entity with a net worth of negative \$1,214,112. *See* Pet’r’s Exs. 3-4.

8. Applicant supplemented its application by uploading a balance sheet dated May 31, 2024, which was the last day of the month prior to the application's submission on June 7, 2024. Attached to the balance sheet was a certification from Edward Carfora, a member and alleged authorized officer of Applicant, dated July 11, 2024. Applicant's May 31st balance sheet self-reported assets of \$2,263,115.87 and liabilities of \$3,858,235.11. The self-reported net worth of Applicant on this balance sheet was negative \$1,595,119.24. *See Pet'r's Ex. 5.*

9. On August 26, 2024, the application was referred to Ms. Tejero, who began her review of the application's merits on August 27, 2024. During her review, Ms. Tejero determined that the application had multiple deficiencies. *See Pet'r's Ex. 11.*

10. Ms. Tejero contacted Applicant's contact, Ms. Lacey, on August 27, 2024 regarding the application's deficiencies. Ms. Tejero provided notice that sections 2.6, 4.4 and 5.3 were deficient on the June 7, 2024 application. Ms. Tejero provided notice that the previous balance sheets reflected a negative net worth and requested a balance sheet dated July 31, 2024 with a financial attestation. *See Pet'r's Ex. 6.*

11. Ms. Lacey responded on behalf of Applicant to the August 27th notice on September 6, 2024. She attached a balance statement and a financial attestation to her email. Ms. Lacey wrote that the balance statement did not have a positive equity. *See Pet'r's Exs. 6-8.*

12. The balance statement attached to Ms. Lacey's September 6, 2024 e-mail was dated as of July 31, 2024 and covered Applicant's finances. The balance sheet listed total assets of \$2,719,933.42 and total liabilities of \$4,542,058.82. These calculations left Applicant with a self-reported equity of negative \$1,822,125.40.

13. On September 6, 2024, Applicant's permit was denied. Notice of denial was sent by letter and electronic mail to Ms. Lacey and to entity members Mr. Carfora and David Stein. The letter was signed and sent by Ms. Tejero. The letter listed the requirement to present a balance sheet with a positive net worth pursuant to N.C. Gen. Stat. § 58-70-5(a)(11) as the basis for denial. *See Pet'r's Ex. 12.*

14. On September 27, 2024, Dominick Nuzzo, Chief Compliance Officer for Applicant, e-mailed Ms. Tejero requesting a formal hearing in regard to the permit denial.

15. At hearing, Ms. Tejero testified on behalf of ASD. Ms. Tejero presented the balance sheets and permit application submitted by Applicant. Ms. Tejero had initially reviewed and made the decision to deny the permit application.

16. Ms. Tejero testified on behalf of ASD that the collection agency permit application should remain denied because Applicant had a negative net worth and

therefore was not in compliance with N.C. Gen. Stat. § 58-70-5(a)(11).

BASED UPON the foregoing Findings of Fact, the undersigned Hearing Officer makes the following:

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. Pursuant to N.C. Gen. Stat. § 58-70-1, no person or entity can operate a collection agency permit without first securing a permit as provided in Article 70. Any entity seeking to obtain such a permit must submit an application to the Commissioner. N.C. Gen. Stat. § 58-70-5.

3. Once an application is submitted, an applicant will be entitled to a permit if all listed statutory requirements are met. One of these requirements is the presentation of “a balance sheet as of the last day of month prior to the submission of the application, certified true and correct by a corporate officer, partner, or proprietor, setting forth the current assets, fixed assets, current liabilities, and positive net worth of the applicant.” N.C. Gen. Stat. § 58-70-5(a)(11).

4. Applicant’s permit application was submitted on June 7, 2024. The last date of the month prior to June 7, 2024 was May 31, 2024. Applicant would have been required to submit a balance sheet with a positive net worth and an attestation certifying the sheet from an officer, partner or proprietor as of this date pursuant to N.C. Gen. Stat. § 58-70-5(a)(11). *See* Pet’r’s Ex. 3.

5. Applicant’s initial submission included a March 31, 2024 balance sheet that did not contain a certification from an officer, partner, or proprietor. This balance sheet listed a negative total equity or net worth. As this submission did not contain the proper date, a certification, or a positive net worth, it was not in compliance with N.C. Gen. Stat. § 58-70-5(a)(11). *See* Pet’r’s Ex. 4.

6. Applicant later uploaded a balance sheet dated May 31, 2024. Included in this upload was a July 11, 2024 certification from Mr. Carfora, an authorized officer for Applicant, who attested that the financial statements were true and correct to best of his knowledge. This balance sheet listed a negative total equity or net worth. As this balance contained a negative net worth, it was not in compliance with N.C. Gen. Stat. § 58-70-5(a)(11). *See* Pet’r’s Ex. 5.

7. On September 6, 2024, Applicant submitted a new balance sheet, dated

as of July 31, 2024 and a new certification from Mr. Carfora to ASD through Ms. Tejero. The July 31, 2024 balance sheet reported a net worth of negative \$1,822,125.40. Pursuant to N.C. Gen. Stat. § 58-70-5(a)(11), Applicant remained deficient of the requirements for a collection agency permit as its net worth remained negative.

8. An applicant is only entitled to a collection agency permit if all of the listed requirements of N.C. Gen. Stat. § 58-70-5(a) are met. Applicant is not in compliance with N.C. Gen. Stat. § 58-70-5(a)(11) and therefore is not entitled to a permit.

9. Based on the evidence received, and the applicable law, the undersigned Hearing Officer concludes that the denial of Applicant's request for a collection agency permit should be upheld pursuant to N.C. Gen. Stat. § 58-70-5(a)(11).

Based on the foregoing Findings of Fact and Conclusions of Law, the Hearing Officer enters the following:

ORDER

It is ORDERED that Applicant's application for a collection agency permit is hereby DENIED.

This 7th day of August, 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 1.0413 and N.C.G.S. § 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 a copy of the same via certified U.S. Mail, return receipt requested; and via first class U.S. Mail to the Applicant at the address the licensee provided to the Commissioner pursuant to N.C. Gen. Stat. § 58-2-69(b), (d) and (e); and via State Courier to Attorney for Petitioner, addressed as follows:

Glass Mountain Capital, LLC
1375 E. Woodfield Rd., Ste. 400
Schaumburg, Ill. 60173
(Applicant)

Certified Mail Tracking Number: 9589 0710 5270 2731 6465 78

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

This the 7th day of August, 2025



Raheema I. Moore
Clerk of Administrative Hearings
Paralegal III
N.C. Department of Insurance
General Counsel's Office
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