

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 undersigned 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 currently holds an active non-resident North Carolina insurance producer license with lines of authority in Accident and Health or Sickness and Life ("License"). Respondent's License was first issued on February 20, 2019. Respondent is a resident of Tennessee. *See* Pet'r's Ex. 3.

3. Service of the Notice of Administrative Hearing providing Respondent with due notice of the September 24, 2024 hearing was perfected on September 19, 2024 by delivery certified U.S. 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 Ex. 2.

4. Matthew Reck is a Complaint Analyst with Agent Services, and among his job responsibilities, handles licensure investigations of North Carolina insurance producers.

5. In or around April 2024, Agent Services became aware, via a report from the Regulatory Information Retrieval System ("RIRS"), which is an automatic notification system through the National Association of Insurance Commissioners ("NAIC"), that Respondent received an adverse administrative action in Indiana, effective January 4, 2024. *See* Pet'r Ex. 5.

6. The RIRS report revealed that, effective January 4, 2024, the Indiana Department of Insurance denied Respondent's application for licensure because Respondent failed to provide information and documentation about a prior felony conviction on his April 24, 2023 Indiana insurance license application. *See* Pet'r Exs. 5 and 11.

7. Respondent did not report the January 4, 2024 Indiana administrative action to the Commissioner within thirty days after the final disposition of the matter as required by N.C. Gen. Stat. § 58-33-32(k).

8. Also, in or around April 2024, Agent Services became aware, through investigation of the Indiana administrative action, that Respondent had been convicted of Sexual Exploitation of a Minor, a felony offense, in Tennessee, on September 24, 2020. *See* Pet'r Exs. 6 and 7.



9. Respondent uploaded a brief personal statement and a copy of the Tennessee felony judgment to the National Insurance Producer Registry ("NIPR") attachment warehouse on August 26, 2021 and September 7, 2021, respectively. *See* Pet'r Exs. 6 and 7.

10. Respondent did not report the September 24, 2020 conviction to the Commissioner within ten days of the conviction as required by N.C. Gen. Stat. § 58-2-69(c).

11. On or about April 1, 2024, Mr. Reck was assigned to investigate the Indiana administrative action. On April 4, 2024, Mr. Reck e-mailed Respondent at his electronic address of record and mailed a letter to his residence address of record requesting that Respondent produce documentation regarding the Indiana administrative action and Tennessee conviction within ten days of receipt of Mr. Reck's letter. *See* Pet'r Ex. 9a.

12. On April 4, 2024, Respondent replied via e-mail to Mr. Reck. Respondent indicated that he was in good standing in all states in which he was licensed and denied having received an administrative action in Indiana. Respondent asked what he was required to do. Mr. Reck replied, also on April 4, 2024, that Respondent was required to provide documentation and a statement regarding the Indiana administrative action and Tennessee conviction. *See* Pet'r Exs. 9b and 9c.

13. On April 15, 2024, Mr. Reck sent a follow-up e-mail and letter to Respondent noting that Respondent had failed to provide the documents requested in the April 4, 2024 e-mail and letter. Respondent did not provide the documentation as requested. *See* Pet'r Ex. 9d.

14. On May 16, 2024, not having received the requested documents from Respondent, Mr. Reck e-mailed and mailed correspondence to Respondent advising that Agent Services wished to speak with Respondent about the Indiana administrative action and Tennessee conviction at 12:00 noon on June 19, 2024. A reminder e-mail was sent to Respondent's e-mail address on June 18, 2024. *See* Pet'r Exs. 9e and 9f.

15. On June 19, 2024, Mr. Reck contacted Respondent via telephone to discuss his failure to report the Indiana administrative action and Tennessee conviction. Respondent did not reply. Because Respondent failed to provide the requested documentation, Mr. Reck sent Respondent a letter on July 1, 2024, indicating that Agent Services would move forward with petitioning for an administrative hearing. *See* Pet'r Ex. 9g.

16. To comply with the reporting requirements of N.C. Gen. Stat. § 58-33-32(k), licensees may report administrative actions taken by other states to the

Commissioner by either directly providing notice and a copy of the action to the North Carolina Department of Insurance or by uploading a copy of the administrative action to the NIPR attachment warehouse. As of the September 24, 2024 hearing in this matter, Respondent had not provided a copy of the action to the North Carolina Department of Insurance, nor had he uploaded a copy of the administrative action to the NIPR attachment warehouse. *See* Pet'r Exs. 6 and 9a-g.

17. To comply with the reporting requirements of N.C. Gen. Stat. § 58-2-69(c), licensees may report criminal convictions to the Commissioner by either directly providing notice to the North Carolina Department of Insurance or by uploading documentation of the conviction to the NIPR attachment warehouse within ten days of the date of conviction. Respondent uploaded responsive documents to the NIPR attachment warehouse in August and September 2021, more than ten days from the date of conviction. *See* Pet'r Ex. 6.

### **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 September 24, 2024 hearing or retain counsel to represent him at the hearing.

3. Pursuant to N.C. Gen. Stat. § 58-33-46(a)(2), one basis for the revocation of a license issued by NCDOI is violation of the insurance laws of North Carolina or any other State.

4. N.C. Gen. Stat. § 58-33-32(k) is a North Carolina insurance law that requires an insurance producer to report to the Commissioner "any administrative action" taken against the producer by another state "within 30 days after the final disposition of the matter." The statute specifies that "[t]he report shall include a copy of the order or consent order and other information or documents filed in the proceeding necessary to describe the action."

5. Agent Services' evidence shows that Respondent was subject to administrative actions taken against his licenses by the state of Indiana and the undersigned finds that Respondent was required to timely report these actions to the Commissioner by N.C. Gen. Stat. § 58-33-32(k).

6. Agent Services' evidence establishes that Respondent failed to report the January 4, 2024 Indiana administrative action to the Commissioner within thirty days of the action's final disposition, as mandated by N.C. Gen. Stat. § 58-33-32(k).



7. By failing to timely report the Indiana administrative action within thirty days of its final disposition, Respondent violated a North Carolina insurance law within the meaning of N.C. Gen. Stat. § 58-33-46(a)(2).

8. Agent Services' evidence shows Respondent was convicted of Sexual Exploitation of a Minor, a felony offense, in Tennessee on September 24, 2020.

9. Agent Services' evidence establishes that Respondent failed to report the September 24, 2020 Tennessee conviction to the Commissioner within ten days of the conviction, as mandated by N.C. Gen. Stat. § 58-2-69(c).

10. By failing to timely report the Tennessee conviction within ten days of the conviction, Respondent violated a North Carolina insurance law within the meaning of N.C. Gen. Stat. § 58-33-46(a)(2).

11. Agent Services' evidence also shows that Respondent failed to respond to written requests from Agent Services for documents and other information related to Agent Services' licensure investigation, despite Respondent's obligations to provide information to Agent Services "on demand" under N.C. Gen. Stat. §§ 58-2-185 and 58-2-195.

12. Failure to provide documentation and information regarding an administrative action taken by another state and/or a criminal conviction is a serious offense that deprives NCDOT of information directly relevant to its evaluation of whether a licensee should continue to engage in the insurance business in North Carolina. To help Agent Services supervise insurance producer licensees and protect North Carolina insurance consumers, N.C. Gen. Stat. § 58-33-32(k) requires that licensees provide a copy of "the order or consent order and other information or documents filed in the proceeding necessary to describe the action" with the licensee's report to Agent Services. N.C. Gen. Stat. § 58-2-69(c) requires that licensees "notify the commissioner in writing of the conviction." Because administrative actions and convictions can be reported online to nearly all state regulators at one time using the NIPR attachment warehouse, compliance with this provision is relatively quick and simple. Nevertheless, as of the date of the hearing in this matter, Respondent had not sent copies of the January 4, 2024 Indiana Order of Denial to Agent Services or uploaded copies of the same to the NIPR attachment warehouse. While Respondent uploaded documentation regarding his criminal conviction to the NIPR attachment warehouse, he did so well after 10 days from the date of conviction.

13. Respondent's offenses here are further aggravated by Agent Services' evidence that Respondent failed to respond to inquiries sent on April 4, 2024, April 15, 2024, and May 16, 2024 directed to Respondent's electronic and mailing addresses of record, seeking information and documents regarding the Indiana administrative action, in violation of N.C. Gen. Stat. §§ 58-2-185 and 58-2-195.

14. Based on the evidence received and the applicable law, the undersigned Hearing Officer concludes that Respondent's North Carolina non-resident insurance producer should be revoked under N.C. Gen. Stat. §§ 58-33-46(a)(2).

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

**ORDER**

It is ORDERED that Respondent's non-resident North Carolina Insurance Producer's license is hereby **REVOKED**.

This 10<sup>th</sup> day of January, 2025.



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Kyle Heuser  
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:

Gregory Jenkins  
518 Taryton Dr.  
Lebanon, TN 37087  
(Respondent)

Certified Mail Tracking Number: 9589 0710 5270 0742 5898 15

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

This 10<sup>th</sup> day of January, 2025.



Kimberly W. Pearce, NCCP  
Clerk of Court for Administrative Hearings  
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