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**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 STEPHEN T. MCCAULEY
LICENSE NO. 0000418064**

**VOLUNTARY SETTLEMENT
AGREEMENT**

NOW COME, Stephen T. McCauley (hereinafter "Mr. McCauley") and the North Carolina Department of Insurance (hereinafter "Department"), and hereby voluntarily and knowingly enter into the following Voluntary Settlement Agreement (hereinafter "this Agreement").

WHEREAS, the Department has the authority and responsibility for enforcement of the insurance laws of this State, and for regulating and licensing insurance agents; and

WHEREAS, Mr. McCauley currently holds a non-resident producer's license with authority for Life and Variable Life insurance and Variable Annuities issued by the Department; and

WHEREAS, North Carolina General Statute § 58-33-32(k) requires producers to report to the Commissioner any administrative action taken against the producer in another state or by another governmental agency in this State, including enforcement actions taken against the producer by the Financial Industry Regulatory Authority (FINRA), within 30 days after the final disposition of the matter; and

WHEREAS, an administrative proceeding was held with respect to Mr. McCauley's producer's license before the State of Florida, Department of Financial Services, resulting in the issuance of a Consent Order effective September 11, 2015 making Mr. McCauley ineligible to apply for a producer's license until September 26, 2016; and

WHEREAS, Mr. McCauley did not report this action to the Department within 30 days after the final disposition of the matter as required by North Carolina General Statute § 58-33-32(k), and therefore was in violation thereof; and

WHEREAS, North Carolina General Statute § 58-33-46a(1) provides that the Commissioner may place on probation, suspend, revoke, or refuse to renew any license issued

under Article 33 of Chapter 58 of the General Statutes of North Carolina for providing materially incorrect, misleading, incomplete, or materially untrue information in the license application; and

WHEREAS, Mr. McCauley pled "No Contest/Nolo Contendere" to the criminal charges of "Conversion and Felony Attempt to Obtain a Controlled Substance by Fraud" in Florida on August 3, 2000, with the disposition of the case resulting in Judgment Deferred and Mr. McCauley being placed on one year's probation; and

WHEREAS, Mr. McCauley answered "No" to the question on his initial application for license as a non-resident producer dated October 28, 2009 to the question: "Have you ever been convicted of a misdemeanor, had a judgment withheld or deferred, or are you currently charged with committing a misdemeanor?"; and

WHEREAS, Mr. McCauley admits to these violations of North Carolina General Statutes §§ 58-33-32(k) and 58-33-46a(1); and

WHEREAS, North Carolina General Statute § 58-33-46(a)(2) provides that the Commissioner may place on probation, suspend, revoke, or refuse to issue or renew any license issued under Article 58 of the General Statutes of North Carolina for violating any insurance law of this or any other state, violating any administrative rule, subpoena, or order of the Commissioner or of another state's regulator; and

WHEREAS, Mr. McCauley has agreed to settle, compromise, and resolve the matter referenced in this Agreement on behalf of himself, and the Department has agreed not to pursue additional penalties, sanctions, remedies, or restitution based on these matters against Mr. McCauley; and

WHEREAS, the parties to this Agreement mutually wish to resolve this matter by consent before the Department initiates an administrative hearing, and have reached a mutually agreeable resolution of this matter as set out in this Agreement.

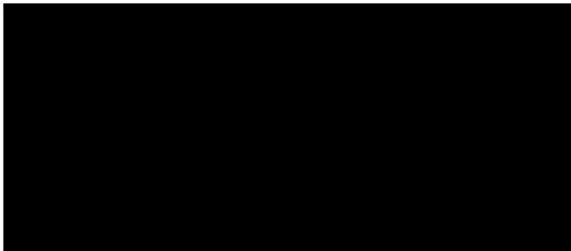
NOW, THEREFORE, in exchange for the consideration and promises and agreements set out herein, Mr. McCauley and the Department hereby agree to the following:

1. Immediately upon the signing of this Agreement, Mr. McCauley shall pay a civil penalty of **\$500.00** to the Department. 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. McCauley shall remit the civil penalty by certified mail, return receipt requested, to the Department along with a copy of this signed Agreement. The civil penalty and the signed Agreement must be received by the Department no later than **February 13, 2017**. 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 Department's disciplinary power in any future examination of Mr. McCauley or in any other complaints involving Mr. McCauley.
3. Mr. McCauley 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. McCauley 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. McCauley understands that N.C.G.S. § 58-33-46(a)(2) provides that a producer'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 Department. Following the execution of this Agreement, any and all licenses issued by the Department to Mr. McCauley shall reflect that Regulatory Action has been taken against him. The Department 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 Department routinely provides copies of 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 N. C. Department of Insurance has issued an occupational or professional license to you, that regulator may require you to report this administrative action to it. The N.C. Department of Insurance cannot give you legal advice as to the specific reporting requirements of other state or federal regulators.

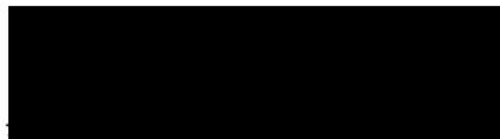
8th

This the 1st day of FEBRUARY 2017.



By: Stephen T. McCauley
License No. 0000418064

N. C. Department of Insurance



By: Rebecca A. Singley
Deputy Commissioner