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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**
**ALAN B. MURPHY**
**LICENSE NO:** [redacted]
**MURPHY INSURANCE LLC**
**CORPORATE LICENSE 21120122**

**VOLUNTARY SETTLEMENT AGREEMENT**

**NOW COME**, Alan B. Murphy and Murphy Insurance LLC (hereinafter "MILLC) and the Agent Services Division of the N.C. Department of Insurance (hereinafter "Agent Services Division"), and hereby voluntarily and knowingly enter into the following Voluntary Settlement Agreement (hereinafter "this Agreement").

**WHEREAS**, the Agent Services Division has the authority and responsibility for enforcement of the insurance laws of this State, and for regulating and licensing insurance agents and agencies; and

**WHEREAS**, the Agent Services Division conducted a review of MILLC to verify that all agency employees were appropriately licensed, to analyze the agency's financials, and to randomly review files to verify proper underwriting. The compliance review was modified to a target review based on violations observed during the investigation. The date of the review was March 25, 2026 and took place at the office of MILLC, located at The Cotton Exchange, 321 W. Front Street, Wilmington, N.C. and

**WHEREAS, NCGS § 58-33-46. Suspension, probation, revocation, or nonrenewal of licenses provides**:

(a) The Commissioner may place on probation, suspend, revoke, or refuse to renew any license issued under this Article, in accordance with the provisions of Article 3A of Chapter 150B of the General Statutes, for any one or more of the following causes:

(4) Improperly withholding, misappropriating, or converting any monies or properties received in the course of doing insurance business.

(8) Using fraudulent, coercive, or dishonest practices, or demonstrating incompetence, untrustworthiness, or financial irresponsibility in the conduct of business in this State or elsewhere.

**WHEREAS, 11 NCAC 4.0429** Commingling provides:
The accounting records maintained by agents, brokers, and licensed representatives shall be separate and apart from any other business records and demonstrate at all times that collected funds due to insurers and return premiums to policyholders are available at all times; and

**WHEREAS**, it appears the agency is in violation of misappropriation of premium, financial irresponsibility and comingling; and

**WHEREAS**, the investigators reviewed the premium account bank statements with Bank of America ending in 2415 from April 2025 through February 2026 and observed 2 negative balance days resulting in overdraft fees of $20. On days when the account was overdrawn 3 premium drafts were presented for payment illustrating that premium funds were not available to the carriers at all times; and

**WHEREAS,** it appears that Melanie Austin's premium payment was deposited late, Rashidah Diaab's premium payment was deposited into the wrong account and swept before the funds were transferred to the correct account and Jordan Manzulich dba Diamond Detailing Plus' premium payment did not remain in the premium account to be swept. This appears to be the reason for the negative balances; and

**WHEREAS,** such actions or inactions on the part of MILLC and Mr. Murphy constitute violations of N.C. Gen. Stat. § 58-33-46 (a)(4) and (8) and 11 NCAC 4.0429; and

**WHEREAS, 11NCAC 5.0121** provides:
All premium payment receipts and copies issued by an agent broker or limited representative shall be dated and contain the printed or stamped name and address of the agency or agent, broker or limited representative, and the name of the insurer. Receipts shall be signed by the person accepting payment: and

**WHEREAS,** a review of the records of MILLC indicate that MILLC and Mr. Murphy are not providing receipts to all customers, in that MILLC and Mr. Murphy provided billing summaries, not receipts, for Melanie Austin, Betty Hines, Richard Boney and Rashids Diabbs' payments, violations of 11NCAC 5.0121; and,

**WHEREAS**, N. C. Gen. Stat. § 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**, N. C. Gen. Stat. § 58-2-70 provides that whenever the Commissioner has reason to believe that any person has violated any law that would subject the license or certification of that person to suspension or revocation, the Commissioner is authorized, in lieu of a hearing, to negotiate a mutually acceptable agreement as to the status of the person's license or certificate or to any civil penalty or restitution; and

**WHEREAS**, MILLC and Mr. Murphy have filed a Corrective Action Plan to resolve the matters referenced in this Agreement on behalf of itself and himself, and the Agent Services Division has agreed not to pursue additional civil ramifications, including penalties, sanctions, remedies, or restitution based on these matters against MILLC and Mr. Murphy; and

**WHEREAS**, MILLC and Mr. Murphy agree to immediately implement the Corrective Action Plan as attached to this Agreement as EXHIBIT A; 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, MILLC, Mr. Murphy and the Agent Services Division hereby agree to the following:

1. Immediately upon the signing of this Agreement, MILLC and Mr. Murphy shall pay a civil penalty of **$500.00** to the Agent Services Division. 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.**" MILLC and Mr. Murphy shall return the civil penalty by certified mail, return receipt requested, to the Agent Services Division along with a copy of this signed Agreement. The civil penalty and the signed Agreement must be received by the Agent Services Division no later than **October 12, 2026**. 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 Agent Services Division's disciplinary power in any future examination of MILLC and Mr. Murphy, or in any complaints involving MILLC and Mr. Murphy.

3. MILLC and Mr. Murphy enter into this Agreement, on behalf of itself and himself, freely and voluntarily and with the knowledge of their right to have an administrative hearing on this matter. MILLC and Mr. Murphy understand they 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. MILLC and Mr. Murphy understand that N.C.G.S. § 58-33-46(a)(2) provides that an agent and Corporation'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 Agent Services Division. Following the execution of this Agreement, all licenses issued by the Agent Services Division to MILLC and Mr. Murphy shall reflect that Regulatory Action has been taken against them. 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 Agent Services Division, upon request, will

provides a copy of the voluntary settlement agreement to all companies that have licensed the producer.

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 Agent Services Division has issued an occupational or professional license to you, that regulator may require you to report this administrative action to it. The Agent Services Division cannot give you legal advice as to the specific reporting requirements of other state or federal regulators.

**ALAN B. MURPHY**
**License No. 18556301**

**MURPHY INSURANCE LLC**
**Corporate License No. 21120122**

[redacted]

**By: Alan B. Murphy**

**Date:** 10/12/2026

**N.C. DEPARTMENT OF INSURANCE**
**AGENT SERVICES DIVISION**

[redacted]

**By: Joe Wall**
**Deputy Commissioner**

**Date:** 10/14/2026