

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 DYRELL OATES

VOLUNTARY SETTLEMENT
AGREEMENT

NOW COME Dyrell Oates (hereinafter "Oates") 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 insurance laws of this State, and for regulating and licensing insurance agents; and

WHEREAS, Oates holds an active Life and Health insurance agent license, and an active Property and Liability insurance agent license issued by the Department; and

WHEREAS, Oates is an insurance agent for Bryant Financial Center, Inc. (hereinafter "Bryant Financial"), located in Mount Olive, North Carolina; and

WHEREAS, on or about November 28, 2003, the Department received a complaint from Leonard Sherrod (hereinafter "Sherrod") concerning allegations of wrongdoing by Oates; and

WHEREAS, on or about September 16, 2003, Sherrod, with the assistance of Oates as his insurance agent, applied for insurance coverage from the Progressive Southeastern Insurance Company (hereinafter "Progressive") for his vehicle; and

WHEREAS, Oates represented to Sherrod that the Progressive Insurance policy provided collision coverage for Sherrod's vehicle; and

WHEREAS, Oates knowingly had not obtained, and did not obtain, collision insurance coverage for Sherrod's vehicle; and

WHEREAS, the policy application that Oates provided to Sherrod listed only liability and comprehensive insurance coverage, not collision insurance coverage;

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WHEREAS, Sherrod was unaware that Oates had not obtained collision insurance coverage for his vehicle; and

WHEREAS, on or about October 26, 2003, Sherrod was involved in a motor vehicle collision wherein his vehicle was damaged; and

WHEREAS, as a result of the claim(s) filed in relation to the motor vehicle collision, Sherrod discovered that Oates had not obtained collision insurance coverage for Sherrod's vehicle; and

WHEREAS, the Department made numerous requests, *via* telephone and *via* written correspondence, to obtain records from Oates regarding Sherrod's complaint; and

WHEREAS, Oates failed to respond to the Department's numerous requests for records regarding Sherrod's complaint; and

WHEREAS, Oates has violated N.C. Gen. Stat. § 58-33-46(a)(5) by intentionally misrepresenting the terms of an actual or proposed insurance contract or application for insurance, in that Oates represented to Sherrod that Oates obtained collision coverage for Sherrod's vehicle when Oates did not actually obtain collision coverage for Sherrod's vehicle; and

WHEREAS, Oates has violated N.C. Gen. Stat. § 58-33-46(a)(8) by using fraudulent, dishonest practices, or by demonstrating incompetence, untrustworthiness or financial irresponsibility in the conduct of business in this State, in that Oates represented to Sherrod that Oates obtained collision coverage for Sherrod's vehicle when Oates did not actually obtain collision coverage for Sherrod's vehicle; and

WHEREAS, Oates has violated N.C. Gen. Stat. § 58-2-195 by failing to respond to the Department's numerous oral and written requests for Oates to provide the Department with records relating to Sherrod's complaint; and

WHEREAS, Oates has made full restitution to Sherrod; and

WHEREAS, Oates has agreed to settle, compromise, and resolve the matters referenced in this Agreement, and the Department has agreed not to pursue additional penalties, sanctions, remedies, or restitution based on these matters against Oates; and

WHEREAS, the parties to this Agreement mutually wish to resolve this matter by consent before the Department initiates an administrative hearing concerning this matter; and

WHEREAS, the parties to this Agreement have reached a mutually agreeable resolution of this matter as set out in this Agreement.

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

1. Contemporaneously with the execution of this document, Oates shall pay a civil penalty of \$500.00 to the Department. The form of payment shall be in a certified check, cashiers 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."

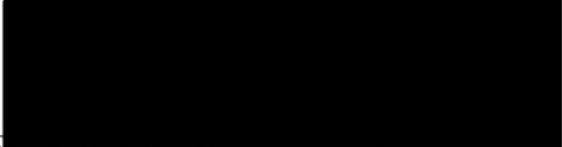
2. Oates enters into this Agreement freely and voluntarily and with knowledge of his right to have an administrative hearing on this matter. Oates understands that he may consult with an attorney prior to entering into this Agreement.

3. This Agreement does not in any way affect the Department's disciplinary authority in any other cases or complaints involving Oates.

4. The parties to this Agreement agree that this Agreement shall have the full force and effect of an Order of the Commissioner. Oates understands that N.C. Gen. Stat. § 58-33-46(a)(2) provides that an agent's license may be revoked for violating an Order of the Commissioner.

5. The parties have read and understand this Agreement and agree to abide by the terms and conditions stated herein.


Dyrell Oates


North Carolina Department of Insurance
By: Angela Ford
Senior Deputy Commissioner

Date: 3/15/05

Date: 3/23/05