

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
MARISSA SCHULTZ
NPN 19715842

Respondent.

ORDER AND
FINAL AGENCY DECISION

Docket Number: 2297

THIS MATTER was heard on July 7, 2025 by the undersigned Hearing Officer, as designated by the North Carolina Commissioner of Insurance ("Commissioner") pursuant to N.C. Gen. Stat. § 58-2-55 and other applicable statutes and regulations. The administrative hearing was held in the North Carolina Department of Insurance's Hearing Room, Room # 211, located at 3200 Beechleaf Court, Raleigh, Wake County, North Carolina.

Petitioner, Agent Services Division of the North Carolina Department of Insurance ("Petitioner" or "Agent Services"), was present and represented by Assistant Attorney General, Anne G. Kirby. Respondent, Marissa Schultz ("Respondent") appeared on her own behalf and was not represented by counsel at the hearing.

Chris Russo, Client Program Manager for Pearson Vue, appeared and testified remotely on behalf of the Petitioner. Elizabeth Parsons, Assistant Deputy Commissioner of Agent Services, and Joe Wall, Deputy Commissioner of Agent Services, appeared and testified on behalf of the Petitioner.

Petitioner's Exhibits 1-32 and all subparts were admitted into evidence with redactions from Petitioner's Exhibits 5-7, 9-11, 13, 16, 18, 20, 23, 25, 26, and 32. Respondent's Exhibit A was admitted into evidence.

On June 24, 2025, Petitioner submitted a motion to allow remote testimony of Petitioner's witness, Chriss Russo, which the undersigned Hearing Officer granted on June 27, 2025.

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 for enforcement of the insurance laws of North Carolina and for regulating and licensing insurance producers, in accordance with Chapter 58 of the North Carolina General Statutes.

2. The Notice and Petition were properly served on Respondent by depositing in the United States Postal Service via first-class mail and via certified mail, return receipt requested, pursuant to N.C. Gen. Stat. §§ 58-2-69(b), (d) and (e) and Rule 4 of the North Carolina Rules of Civil Procedure. *See* Pet’r’s Exs. 1 and 2.

3. The Petition requested that the cancellation of Respondent’s resident producer license with property and casualty lines of authority (“License”) be upheld, but this order is clarifying that the relief requested is actually a request for revocation. Even with this error, the Petition gave Respondent notice that Respondent was at risk for losing her License permanently, that the NCDOI intends to take Respondent’s License permanently through cancellation of that license (also known as revocation), and it provided the facts alleged by the NCDOI, which primarily included the allegation that Respondent should never have been issued the License due to Respondent’s failure to meet the statutory exam requirements.

4. Respondent held a resident North Carolina Insurance Producer License, National Producer Number 19715842, with lines of authority in Property and Casualty which was issued by the NCDOI on June 8, 2021. *See* Pet’r’s Ex. 5. Respondent’s License was canceled by the NCDOI effective April 4, 2024. *Id.*

5. N.C. Gen. Stat. § 58-33-26(c1) sets forth the lines of authority for which an insurance producer may be licensed in North Carolina, including life, property, and casualty lines of authority. In order to be issued a producer license with certain lines of authority (including life, property, and casualty), applicants must take and pass an examination in the subject matter of that line of authority as required by N.C. Gen. Stat. § 58-33-30(e).

6. Pursuant to its authority granted under N.C. Gen. Stat. § 58-33-30(e)(4), the NCDOI has contracted with Pearson Vue to administer and grade the subject matter examinations required by N.C. Gen. Stat. § 58-33-30(e) at test sites in North Carolina. Pearson Vue is authorized to issue a license to an applicant in a given line

of authority if the applicant passes the examination for that line of authority and answered "No" in response to all of the application background screening questions.

7. Pearson Vue takes a photograph of the candidate upon each arrival to a test site for each examination. Pearson Vue grades the examinations at the test site and issues a test score report to each candidate before the candidate leaves the test site. A copy of the photo that Pearson Vue took of the candidate at the test site that day appears on each test score report. Each candidate's examination results are uploaded to Pearson Vue's electronic records within 24 hours.

8. Each test score report indicates whether the candidate passed or failed the examination. If the candidate fails the examination, the test score report includes the candidate's photo and lists the required passing score, the candidate's actual score, contains score bars which show how the candidate performed on each subject matter area of the examination under a section entitled Diagnostic Report, and informs the candidate that he or she will need to retake the examination. If the candidate passes the examination, the test score report includes the candidate's photo, a bold statement midway down the page congratulating them on passing the examination, and instructions to the candidate on how he or she can access and print out their new license. The passing test score report does not include the Diagnostic Report section nor the score bars showing how the candidate performed on each subject matter of the examination.

9. Each test score report that Pearson Vue issues displays a unique registration and validation number which Pearson Vue has assigned to the candidate for identification purposes. Pearson Vue and Agent Services can enter those numbers to search Pearson Vue's records for the test score results associated with that unique registration and validation number.

10. On December 22, 2023, Respondent applied for a producer license with a line of authority in life. *See* Pet'r's Ex. 7. On February 1, 2024, Respondent registered and took the life examination at a Pearson Vue test site. *See* Pet'r's Ex. 3. Respondent failed the examination and was issued a test score report at the test site which showed that she scored only 35 of the required 70 points needed to pass the examination. *See* Pet'r's Exs. 3, 9, and 12.

11. On February 6, 2024, Respondent sent an e-mail to Pearson Vue which stated: "I tried reaching out on the online chat to obtain information on when my application was received and paid for, and exam was taken and passed." *See* Pet'r's Ex. 8. Elvira Littles ("Ms. Littles"), a Pearson Vue employee, replied to Respondent's e-mail the same day to inform Respondent that: "*We do not currently see the passed life exam. The last record presented was from 2/1/24 at 3:30 at Cape Fear Community College and this exam was not passed. When was the exam taken after this date.*" (Emphasis added) *Id.*

12. Respondent did not reply to Ms. Littles' February 6, 2024 e-mail. On February 29, 2024, Respondent e-mailed Ms. Littles to request an update on the status of the issuance of her life license. Respondent did not acknowledge that she had taken and failed the life examination on February 1, 2024, and did not state that she had taken an exam on any other date in her February 29, 2024 e-mail. *See* Pet'r's Ex. 8.

13. Sometime between February 5, 2024 and February 29, 2024, Respondent submitted a copy of a test score report to Pearson Vue which indicated that Respondent had taken and passed the required examination for a line of authority in life at a Pearson Vue test site on February 5, 2024. *See* Pet'r's Ex. 10.

14. Ms. Littles conferred with Chris Russo ("Mr. Russo"), Pearson Vue's Client Program Manager, regarding the passing test score report which Respondent submitted for a February 5, 2024 life examination. Mr. Russo compared the passing life test score report that Respondent submitted with the failing life test score report that Pearson Vue issued to Respondent at the test site on February 1, 2024 and observed that:

- (a) the photograph on the February 5, 2024 score report was identical to the photograph that was taken at the Pearson Vue test site on February 1, 2024;
- (b) the score bars on the February 5, 2024 passing test score report were similar, but not identical, to the score bars which appeared on the February 1, 2024 report with the exceptions of the annuities bar which indicated that Respondent received a much higher score;
- (c) the February 5, 2024 passing test score report was on the wrong form because it showed Respondent's actual test score, had score bars, and contained instructions for the candidate to retake the examination, which Pearson Vue's passing test score report would not include; and
- (d) the score bars, registration number, and validation number were not aligned and appeared altered on the February 5, 2024 passing test score report.

15. Pearson Vue maintains records for each candidate which lists all examinations taken by the candidate and the results of those examinations. Mr. Russo reviewed Respondent's individual candidate record, which showed that she had only taken the life examination on February 1, 2024 and that she failed that examination. *See* Pet'r's Ex. 12. Mr. Russo searched the registration and validation numbers that appeared on the February 5, 2024 passing test score report and did not find any examination associated with those registration and validation numbers for

Respondent. *See* Pet'r's Ex. 32. After completing the foregoing investigation, Mr. Russo made the determination not to issue the life license to Respondent.

16. On February 29, 2024, Ms. Littles e-mailed Elizabeth Parsons, Assistant Deputy Commissioner of Agent Services, and notified her of the falsified February 5, 2024 passing test score report for the life examination they received from Respondent. *See* Pet'r's Ex. 13.

17. Tommy Walls ("Mr. Walls"), a Senior Complaint Analyst for Agent Services was assigned to investigate the matter of Respondent's life examination test score report. On March 5, 2024, Mr. Walls e-mailed Respondent to inform her Agent Services was aware that she had submitted a passing test score report to Pearson Vue for a life examination taken on February 5, 2024, which has raised some concerns. *See* Pet'r's Ex. 14. The e-mail also informed Respondent that the registration number on the February 5, 2024 test score report that she submitted belonged to another candidate and requested that Respondent provide a written response regarding the matter to Agent Services within 10 days. *Id.*

18. Respondent replied to Mr. Walls' e-mail on March 5, 2024, but she did not address the allegation that she had submitted a falsified passing test score report. *See* Pet'r's Ex. 15. In Respondent's reply, she indicated she was advised that the exam was officially not passed, and she indicated she would schedule to retake the life exam in the upcoming days. *Id.*

19. As a result of the investigation into Respondent's falsified passing test score report for the life examination, Agent Services determined it warranted a review of Respondent's file, and the property and casualty license previously issued to Respondent.

20. On November 19, 2020, Respondent applied for a producer license with lines of authority in property and casualty. *See* Pet'r's Ex. 6. Pearson Vue's individual candidate record for Respondent showed that Respondent was authorized to take the property examination in 2021 but there is no record that Respondent ever took the property exam. *See* Pet'r's Ex. 12. Respondent's candidate record showed that Respondent had taken and failed the casualty examination four times. *Id.* The exam details section in Agent Services' licensee summary for Respondent correctly lists the dates and failing results of the casualty examinations. *See* Pet'r's Ex. 5. There are no entries showing that Respondent took the property examination. *Id.* However, the notes entered in the licensee summary by Chiara Goodyear, a former Pearson Vue employee, indicate that Respondent had passed the casualty examination on June 7, 2021, and passed the property examination on June 8, 2021. *Id.* Chiara Goodyear issued Respondent a license with property and casualty lines of authority effective June 8, 2021 in apparent reliance on records showing that Respondent had taken and passed the property and casualty examinations on June

7 and 8, 2021, respectively. Mr. Russo investigated to determine how Respondent was mistakenly issued the property and casualty license but was unable to determine what, if any, records its former employee may have relied upon to make the erroneous decision to issue a property and casualty license to Respondent.

21. After completing its investigation of the matter, Agent Services made the determination to (1) deny Respondent's application for a life license since Respondent had failed the February 1, 2024 life examination and Respondent later submitted a falsified passing test score report to Pearson Vue in an effort to fraudulently obtain a life license, and (2) cancel Respondent's property and casualty license since Respondent never passed the property and casualty examinations required in order to be issued a property and casualty license.

22. On March 19, 2024, Joe Wall, Deputy Commissioner of Agent Services, sent correspondence to Respondent via e-mail and first-class mail notifying her that:

- (a) Agent Services recently learned that Respondent had never taken and passed either the property or casualty examinations required pursuant to N.C. Gen. Stat. § 58-33-30(e) in order to be issued a producer license with either property or casualty lines of authority;
- (b) Agent Services would be canceling Respondent's resident producer license with property and casualty lines of authority within 10 days of her receipt of Agent Services' email and letter since Respondent never took and passed a property examination and never passed a casualty examination;
- (c) Agent Services has denied her application for a producer license with a life line of authority for the following reasons: (1) although Respondent took and failed the life examination on February 1, 2024, she falsely answered "Yes" in response to the application question which asks whether she has taken and passed the required life license exam and (2) she fraudulently submitted the attached life license exam report on February 5, 2024 to Pearson Vue as proof of having taken and passed the required life license exam;
- (d) Respondent must make and submit a written request for a hearing to Agent Services within 30 days of receipt of Agent Services' March 19, 2024 letter if she would like to request an administrative hearing regarding the cancellation of her license with property and casualty lines of authority; and
- (e) Agent Services' denial of Respondent's application for a license with a line of authority in life would become final if she did not make and

submit a written request for a review of the denial to Agent Services within 30 days of receipt of Agent Services' March 19, 2024 letter.

See Pet'r's Ex. 18.

23. On March 19, 2024, Respondent replied to Joe Wall's e-mail and asserted that she did not fraudulently submit anything and that she had passed the property and casualty examinations. *See* Pet'r's Ex. 19. Respondent also indicated that she did not want to challenge the denial of her application for a license with a line of authority in life and that she wanted to request a hearing to contest the cancellation of her license with property and casualty lines of authority. *Id.* On March 20, 2024, Joe Wall replied to Respondent's e-mail asking for confirmation on her request for a hearing and Respondent confirmed that she was only requesting a hearing regarding the cancellation of her property and casualty license. *Id.*

24. On April 5, 2024, Joe Wall sent correspondence to Respondent via e-mail and first-class mail notifying her that Agent Services had cancelled her property and casualty license effective April 4, 2024. *See* Pet'r's Ex. 20. On April 8, 2024, Respondent replied to Joe Wall's letter via e-mail and attached documentation to show that Agent Services had issued a property and casualty license to her on June 8, 2021, and that she had taken required continuing education courses. *Id.* Respondent also requested that Agent Services reinstate her license. *Id.*

25. On April 11, 2024, Respondent e-mailed Joe Wall referencing a phone call conversation they had on April 9, 2024. *See* Pet'r's Ex. 21. During the call, they discussed the cancellation of her license and Respondent suggested that she would consider going ahead and "retaking" the property and casualty examinations in lieu of going forward with an administrative hearing challenging the cancellation of her property and casualty license. *Id.* Joe Wall informed Respondent that she could submit a new application for a property and casualty license and that Agent Services would deny such license application pursuant to N.C. Gen. Stat. § 58-33-46(a)(3) for having attempted to obtain a life license through misrepresentation or fraud if and when Respondent were to take and pass the property and casualty license examinations. *Id.*

26. On April 12, 2024, Joe Wall replied to Respondent's e-mail and reiterated the reasons for the cancellation of her property and casualty license, that she would be required to go through the application process anew, and that such license application would be denied. *See* Pet'r's Ex. 21.

27. On April 17, 2024, Respondent e-mailed Joe Wall to clarify her request to pursue an administrative hearing to contest the cancellation of her property and casualty license. *See* Pet'r's Ex. 21. On April 22, 2024, Joe Wall replied to Respondent's e-mail and acknowledged receipt of Respondent's April 17, 2024 e-mail. *Id.*

28. On May 10, 2024, Respondent's employer, Brad Sizemore, e-mailed Joe Wall nine sets of documents on Respondent's behalf. *See* Pet'r's Ex. 22. These documents did not show that Respondent had ever taken and passed either the property or casualty examinations required for issuance of a license with these lines of authority. *See* Pet'r's Exs. 23-31. Joe Wall reviewed these documents, and they did not contain any records which caused him to change Agent Services' decision to cancel Respondent's property and casualty license.

29. Before approving an application for a resident license, the Commissioner must find that the individual successfully passed any examinations required by G.S. 58-33-30(e). *See* N.C. Gen. Stat. § 58-33-31(a)(5). An applicant for license as an insurance producer must take an examination as to the applicant's competence to be licensed, and the applicant must take and pass the examination according to the requirements prescribed by the Commissioner. *See* N.C. Gen. Stat. § 58-33-30(e)(1). Respondent took and failed the casualty examination four times. Respondent never took and passed the property examination. Therefore, Respondent had never taken and passed either the property or casualty examinations required pursuant to N.C. Gen. Stat. § 58-33-30(e) in order to be issued a producer license with either property or casualty lines of authority under N.C. Gen. Stat. § 58-33-31(a)(5).

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. Respondent was properly served with the Notice of Administrative Hearing and Petition for Administrative Hearing pursuant to N.C. Gen. Stat. §§ 58-2-69(d) and (e) and Rule 4 of the North Carolina Rules of Civil Procedure.

3. N.C. Gen. Stat. § 58-33-31(a)(5) requires the Commissioner to find that an individual has successfully passed any examinations required by G.S. 58-33-30(e) before approving an application for a resident license.

4. N.C. Gen. Stat. § 58-33-30(e)(1) requires each applicant to take and pass an examination as to the applicant's competence to be licensed. Respondent took and failed the casualty examination four times. Respondent never took and passed the property examination.

5. N.C. Gen. Stat. § 58-33-46(a)(17) 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 any cause for which issuance of the license could have been refused had it then existed and been known

to the Commissioner at the time of issuance. Respondent was erroneously issued a property and casualty license on June 8, 2021, despite having never taken and passed either the property or casualty examinations as required in order to be issued an insurance producer license with those lines of authority. If this had been known to the Commissioner on June 8, 2021, the license could have been refused.

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

ORDER

It is ORDERED that Respondent's resident insurance producer license issued by the North Carolina Department of Insurance is hereby **REVOKED**.

This the 11th day of September, 2025.

A black rectangular box redacting the signature of the Hearing Officer.

Shannon Wharry
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. § 1 A-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, including explicitly stating what exceptions are taken to the decision or procedure and what relief the petitioner seeks, and requires service of the Petition by personal service or by certified mail upon all who were parties of record to the administrative proceedings. 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; via first class U.S. mail to the licensee, at the address provided to the Commissioner pursuant to N.C. Gen. Stat. § 58-2-69(b) and (d); and via State Courier to Attorney for Petitioner, addressed as follows:

Marissa Schultz
418 Ellis Road SE
Bolivia, NC 28422 1502
(*Respondent*)

Certified Mail Tracking Number: 9589 0710 5270 0742 5908 28

Anne Goco Kirby
Assistant Attorney General
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(*Attorney for Petitioner*)

This the 11th day of September, 2025.



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