

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
CARLIZA STONE
(NPN #16134134)

Respondent.

ORDER AND
FINAL AGENCY DECISION

Docket Number: 2238

THIS MATTER was heard on May 12, 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. The administrative hearing was held in the Hearing Room at the North Carolina Department of Insurance, located at 3200 Beechleaf Court, Raleigh, Wake County, North Carolina.

Petitioner, the Agent Services Division of the North Carolina Department of Insurance (“Petitioner” or “ASD”), was present and represented by Assistant Attorney General Kristin K. Mullins. Tommy Walls, a Complaint Analyst for ASD, appeared and testified on behalf of Petitioner. Respondent Carliza Stone (“Respondent”) did not appear and was not represented by counsel at the hearing.

Petitioner’s Exhibits 1-16 were admitted into evidence.

BASED UPON careful consideration of the evidence, arguments presented at the hearing by ASD, and upon the entire record in the proceeding, the 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, in accordance with Chapter 58 of the North Carolina General Statutes, for enforcement of the insurance laws of North Carolina and for regulating and licensing insurance producers.

2. Respondent is a resident of Florida. *See* Pet’r’s Exs. 5 and 6.

3. Respondent currently holds an active nonresident North Carolina

Insurance Producer License, National Producer Number 16134314, with lines of authority for Personal Lines, Accident & Health or Sickness and Life (“License”). Respondent’s License was first active on May 17, 2017. *Id.*

4. The Notice of Administrative Hearing was properly served on Respondent pursuant to N.C. Gen. Stat. §§ 58-2-69(d) and 58-2-69(e). *See* Pet’s Exs. 1 and 2.

5. The Notice of Administrative Hearing, and Petition for Administrative Hearing as an attached exhibit, and the applicable Affidavit of Service were admitted into evidence as administrative full exhibits. *Id.*

6. The Scheduling Order was properly served on Respondent pursuant to N.C. Gen. Stat. §§ 58-2-69(d) and 58-2-69(e). *See* Pet’s Exs. 3 and 4.

7. The Scheduling Order and the applicable Affidavit of Service were admitted into evidence as administrative exhibits. *Id.*

8. Tommy Walls (“Mr. Walls”) is a Complaint Analyst with ASD. Among Mr. Wall’s job responsibilities is handling enforcement files for ASD, including by reviewing Personalized Information Capture System alerts (“PIC alert”) received through the National Association of Insurance Commissioners (“NAIC”) system. PIC alerts notify NCDOI if another state has taken administrative action against a North Carolina licensee.

9. Mr. Walls testified that he was assigned to investigate this matter after the original Complaint Analyst assigned to the file left ASD.

10. Mr. Walls reviewed the investigative file, including Respondent’s Licensing Summary Report (*see* Pet’s Ex. 5), Respondent’s State Licensing Report (*see* Pet’s Ex. 6), Respondent’s Report on the Regulatory Information Retrieval System (“RIRS Report”) (*see* Pet’s Ex. 7), Respondent’s National Insurance Producer Registry (“NIPR”) Attachment Warehouse (*see* Pet’s Ex. 8) and the Enforcement Case Summary. *See* Pet’s Ex. 9. In reviewing the file, Mr. Walls learned of two PIC alerts relating to the Respondent. One PIC alert was for an administrative action against Respondent issued by the Delaware Department of Insurance on February 24, 2024 (“Delaware Action”). The second PIC alert was for an administrative action issued against Respondent by the Iowa Insurance Division on March 22, 2024 (“Iowa Action”). *See* Pet’s Ex. 7.

11. ASD obtained a copy of the Delaware Action, which revoked Respondent’s Delaware nonresident insurance producer license and imposed a \$500.00 fine because Respondent violated 18 Del. C. § 1712 (a)(15) by failing to provide preliminary substantive responses to inquiries from the Delaware

Department of Insurance regarding violations of the Delaware Insurance Code, and Respondent violated 18 Del. C. § 2304(26) by not responding to regulatory inquiries. *See* Pet'r's Ex. 10.

12. Additionally, ASD obtained a copy of the Iowa Action. *See* Pet'r's Ex. 11. The Iowa Action stemmed from Respondent's violation of Iowa Code § 522B.11(1)(h) prohibiting "fraudulent, coercive, or dishonest practices, or demonstrating incompetence, untrustworthiness, or financial irresponsibility in the conduct of business" by misrepresenting the residency of two applicants for life insurance." Additionally, the Iowa Action found Respondent violated Iowa Code § 522B.11(1)(p) by failing or refusing to cooperate in the Iowa Insurance Division's investigation. The Iowa Action revoked Respondent's Iowa producer license and fined Respondent a civil penalty of \$1,500 and costs of \$2,206.25. *Id.*

13. A licensee is obligated to report administrative actions to NCDOI within 30 days. *See* N.C. Gen. Stat. § 58-33-32(k). This requirement can be achieved either by notifying ASD directly or by uploading a copy of the administrative action to the NIPR attachment warehouse within 30 days.

14. Mr. Walls testified that Respondent failed to report the Delaware Action to NCDOI within 30 days and, indeed, failed to report the Action to NCDOI at all. Mr. Walls also testified that Respondent failed to report the Iowa Action to NCDOI within 30 days and, in fact, failed to report the Action to NCDOI at all.

15. On March 20, 2024, ASD e-mailed Respondent at her e-mail addresses on record, advising Respondent that she needed to report the Delaware Action. *See* Pet'r's Exs. 12 and 13. ASD instructed Respondent to provide a written response, along with documentation regarding the administrative action, within 10 days of receipt of the letter. *Id.*

16. Mr. Walls testified that Respondent did not respond to the March 20, 2024 e-mail.

17. On April 2, 2024, ASD sent another e-mail to Respondent's e-mail addresses on record. The e-mail noted that Respondent had failed to provide a response and the requested documentation. *See* Pet'r's Exs. 12 and 13. The e-mail also instructed Respondent to report and provide documentation about the Iowa Action. *See* Pet'r's Ex 13. Additionally, the April 2, 2024 e-mail advised Respondent that, unless she sent a copy of the two administrative actions and a written statement to ASD within 10 days, ASD would consider Respondent to be in violation of N.C. Gen. Stat. §§ 58-2-185 and 58-2-195 and could proceed with an administrative action against her license. *Id.*

18. Mr. Walls testified that Respondent did not respond to the April 2, 2024 correspondence.

19. On April 12, 2024, ASD sent another e-mail to Respondent's e-mail addresses on record. *See* Pet'r's Ex. 14. The e-mail reminded Respondent of the prior March 20, 2024 and April 2, 2024 e-mails and that a response was required. *Id.* The e-mail also included ASD's two prior e-mails. *Id.* The April 12 e-mail also reminded Respondent that if ASD did not hear from her within 10 days, she would be considered in violation of both N.C. Gen. Stat. §§ 58-2-185 and 58-2-195 and, as a result, could proceed with administrative action against her license. *Id.*

20. Mr. Walls testified that Respondent did not respond to the April 12, 2024 correspondence.

21. On April 25, 2024, ASD sent another e-mail to Respondent's e-mail addresses on record. *See* Pet'r's Ex. 15. That same day, a hard copy of the e-mail was also physically mailed to Respondent's residential address on record via the U.S. Postal Service. *Id.* This correspondence alerted Respondent that she appeared to be in violation of N.C. Gen. Stat. §§ 58-33-32(k) and 58-33-46(a)(2) and informed her that an informal telephonic conference had been scheduled for May 29, 2024 at 11:30 a.m. to discuss the allegations. *Id.*

22. Mr. Walls testified that the Respondent did not respond to the April 25, 2024 correspondence.

23. On May 31, 2024, ASD sent another e-mail to Respondent's e-mail addresses on record. That same day, a copy of the correspondence was also physically mailed to the Respondent's residential address on record via the U.S. Postal Service. *See* Pet'r's Ex. 16. This May 31, 2024 correspondence gave Respondent notice that formal proceedings would now be instituted under Article 3A of Chapter 150B and that an administrative hearing would be scheduled in Raleigh, N.C. at a time and date to be determined. *Id.*

24. Mr. Walls testified that Respondent did not respond to the April 25, 2024 correspondence and did not attend the scheduled May 29, 2024 informal telephonic conference.

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 in this matter, pursuant to N.C. Gen. Stat. §§ 58-2-69(d) and 58-2-69(e).

3. Respondent was also properly served with the Order of Continuance in this matter, pursuant to N.C. Gen. Stat. §§ 58-2-69(d) and 58-2-69(e).

4. N.C. Gen. Stat. § 58-33-32(k) 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.” N.C. Gen. Stat. § 58-33-32(k) further specifies that this 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. Respondent failed to report the Delaware Action to the Commissioner within 30 days of the action’s final disposition, as is required by N.C. Gen. Stat. § 58-33-32(k). Furthermore, Respondent failed to ever report the Delaware Action.

6. Additionally, Respondent failed to report the Iowa Action within 30 days of the action’s final disposition, as is required by N.C. Gen. Stat. § 58-33-32(k). Furthermore, Respondent failed to ever report the Iowa Action.

7. In addition, N.C. Gen. Stat. § 58-33-46(a)(2) states that the Commissioner may place on probation, suspend, revoke or refuse to renew the license of a licensee that has violated any insurance law of this or any other state, violated any administrative rule, subpoena, or order of the Commissioner or of another state’s insurance regulator, or violated any rule of FINRA.

8. By failing to report the Delaware and Iowa Actions within 30 days of the Actions’ final dispositions, or ever, Respondent violated a North Carolina insurance law within the meaning of N.C, Gen. Stat. § 58-33-46(a)(2).

9. Based upon the evidence received and the applicable law, the undersigned Hearing Officer concludes that Respondent’s license should be revoked under N.C. Gen. Stat. § 58-33-46(a)(2) for violating N.C. Gen. Stat. § 58-33-32(k).

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

ORDER

It is **ORDERED** that Respondent’s nonresident North Carolina Insurance Producer license is hereby **REVOKED** effective as of the date of the signing of this Order.

This the 18th day of June, 2025.



Terence D. Friedman
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, and 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 via State Courier to Attorney for Petitioner, addressed as follows:

Carliza Stone
7733 Boreas Drive
Orlando, Florida 32822-8064
(Respondent)

Certified Mail Tracking Number: 9589 0710 5270 0742 5905 90

Kristin K. Mullins
Assistant Attorney General
N.C. Department of Justice
Insurance Section
9001 Mail Service Center
Raleigh, NC 27699-9001
(Attorney for Petitioner)

This the 18th day of June, 2025.



Raheema I. Moore
Clerk of Court for Administrative Hearings
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