

NORTH CAROLINA DEPARTMENT OF INSURANCE  
RALEIGH, NORTH CAROLINA

STATE OF NORTH CAROLINA  
COUNTY OF WAKE

IN THE MATTER OF  
THE LICENSURE OF  
WAKEFIELD & ASSOCIATES, INC.  
d/b/a WAKEFIELD COLLECTIONS, INC.  
(COMPANY # 4207)

BEFORE THE COMMISSIONER  
OF INSURANCE



VOLUNTARY SETTLEMENT  
AGREEMENT

NOW COME Wakefield & Associates, Inc. d/b/a Wakefield Collections, Inc (“Wakefield”) and the North Carolina Department of Insurance (the “Department”) and hereby enter into the following Voluntary Settlement Agreement (“Agreement”).

WHEREAS, the Department has the authority and responsibility for the enforcement of the provisions of Article 70 of Chapter 58 of the North Carolina General Statutes and the provisions of Title 11 of the North Carolina Administrative Code applicable to collection agencies and the collection agency business; and

WHEREAS, Wakefield is a Colorado corporation with its principal place of business located in Aurora, Colorado. The Colorado office holds a permit, Permit 4207, to operate as a collection agency in North Carolina issued by the Department pursuant to N.C. Gen. Stat. § 58-70-5; and

WHEREAS, Wakefield also has an office in the following locations: Jefferson City, MO (NCDOI Permit No. 113919), Knoxville, Tennessee (NCDOI Permit No. 113921), Ft. Morgan, Colorado, (NCDOI Permit No. 113922) and Kingsport, Tennessee (NCDOI Permit No. 113981); and

WHEREAS, Wakefield’s Knoxville, Tennessee location engaged in collection activities in North Carolina without a permit in violation of N.C. Gen. Stat. §§ 58-70-1, 58-70-5 and 58-70-50; and

WHEREAS, on September 5, 2019, the Department notified and directed Wakefield to cease and desist from collection activities in North Carolina in violation of N.C. Gen. Stat. §§ 58-70-1, 58-70-5 and 58-70-50 unless and until it obtained the required permit or permits from the Department.

WHEREAS, on November 15, 2019, Wakefield provided the Department with information about its communications with North Carolina residents that showed that Wakefield's Knoxville, Tennessee location sent communications attempting to collect debts to 56,601 North Carolina consumers during the period of January 2, 2019 to August 16, 2019 that failed to use the legal name of the company, or failed to include the correct permit number or were sent from a Wakefield location that did not have a permit from the Department to conduct collection agency business in North Carolina; and

WHEREAS, based upon the information which Wakefield has provided to the Department regarding its communications with North Carolina consumers and the representations which Wakefield has made to the Department regarding corrective actions it has taken, including obtaining permits for all of its locations identified above, the Department has agreed to this Voluntary Settlement Agreement; and

WHEREAS Wakefield has supplied a written memorandum setting out its position regarding these violations that is attached hereto as "Exhibit A" and incorporated by reference; and

WHEREAS, pursuant to N.C. Gen. Stat. § 58-2-70(g), the Commissioner of Insurance and the Department have the express authority to negotiate "a mutually acceptable agreement with any person as to the status of the person's license or certificate or as to any civil penalty or restitution;" 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 consideration of the promises and agreements set out herein, the Department and Wakefield hereby agree to the following:

1. Immediately upon signing this agreement, Wakefield shall pay a civil penalty of seventy thousand dollars (\$70,000.00) to the Department. The form of payment shall be via certified check, cashier's check or money order. The check or money order for the payment shall be payable to the "North Carolina Department of Insurance." Wakefield shall remit payment or confirmation of payment by certified mail, return receipt requested, to the Department along with a copy of this signed agreement. The signed Agreement and penalty payment must be received by the Department no later than **July 27, 2020**. 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. Wakefield and its officers shall permanently cease and desist from communicating with North Carolina consumers in any manner prohibited by N.C. Gen. Stat. §§58-70-1, 58-70-5 and 58-70-50; and shall otherwise comply with all provisions of Article 70 of Chapter 58 of the General Statutes of North Carolina and Title 11 of the North Carolina Administrative Code that are applicable to Wakefield.

3. This Agreement shall be binding upon Wakefield, its officers, agents, subsidiaries and subdivisions, as well as its successors and assigns.
4. Except relating to the matters being resolved by this agreement, this Agreement does not in any way affect the Department's disciplinary power in any future or follow-up examination of Wakefield or in any cases or complaints involving Wakefield. In the event that Wakefield fails to comply with this Agreement or otherwise fails to comply with the laws and rules applicable to Wakefield, the Department may take any administrative or legal action it is authorized to take.
5. The parties to this Agreement agree that this Agreement shall have the full force and effect of an Order of the Commissioner of Insurance. Wakefield understands that N.C. Gen. Stat. § 58-70-40(c)(6) provides that a collection agency's permit may be revoked if a partner or proprietor or officer of the collection agency has violated or refused to comply with an Order of the Commissioner.
6. Wakefield enters into this Agreement freely and voluntarily and with knowledge of its' right to have an administrative hearing on this matter. Wakefield has consulted with an attorney prior to entering into this Agreement.
7. This Agreement, when finalized will be a public record and will not be treated as confidential. Any and all permits issued by the Department to Wakefield shall reflect that Regulatory Action has been taken against those permits following the execution of this Agreement. The Department may disclose the contents of this Agreement to third parties upon request or pursuant to any law or policy providing for such disclosure.
8. This Agreement shall become effective when signed by Wakefield and the Department.

Wakefield & Associates, Inc.

North Carolina Department of Insurance

By: 

By: 

Name:  
Title:

*Karen M. Schiebe Eliason*  
*Chief Compliance Officer/Legal Counsel*

*Angela P. Hatchell*  
Deputy Commissioner

Date: \_\_\_\_\_

*7/20/2020*

Date: \_\_\_\_\_

*7/28/2020*