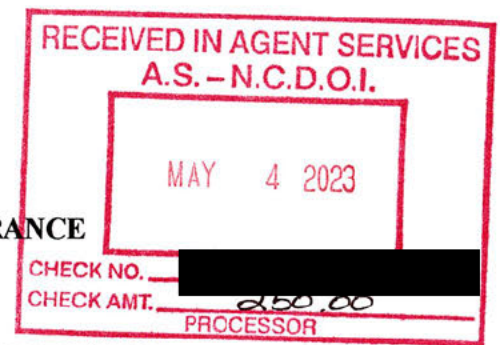


**NORTH CAROLINA DEPARTMENT OF INSURANCE
RALEIGH, NORTH CAROLINA**



**STATE OF NORTH CAROLINA
COUNTY OF WAKE**

**BEFORE THE COMMISSIONER
OF INSURANCE**

**IN THE MATTER OF
THE LICENSURE OF
ZACHARY WILLMON
NPN: 0018515614**

**VOLUNTARY SETTLEMENT
AGREEMENT**

NOW COME, Zachary Willmon (hereinafter "Mr. Willmon") and the Agent Services Division of the N.C. Department of Insurance (hereinafter "Agents 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

WHEREAS, Mr. Willmon currently holds a Non-Resident Producer's license with authority for Life, Accident & Health or Sickness, Property, and Casualty lines of insurance issued by the Department; and

WHEREAS, North Carolina General Statute § 58-33-46(a) (8) provides that the Commissioner may place on probation, suspend, revoke, or refuse to renew any license issued under Article 33 of Chapter 58 of the General Statutes of NC, for using fraudulent, coercive, or dishonest practices, or demonstrating incompetence, untrustworthiness, or financial irresponsibility in the conduct of business in this State or elsewhere; and

WHEREAS, Mr. Willmon, with respect to approximately thirty (30) Homeowners (HO3) insurance policies sold to North Carolina insureds, did not follow the insurer's guidelines with respect to signing policy documents on behalf of insureds in that such guidelines provided that neither the agent nor his or her staff could sign on behalf of the insured even with the insured's consent; and

WHEREAS, HO3 policies generally included wind/hail coverage, but an exclusion for wind/hail was included in policies written in coastal counties. A signature was required for coastal insureds to acknowledge that there was no wind/hail coverage included in their policies and that such coverage, if needed, would have to be obtained through the NC Joint Underwriting Association. Mr. Willmon indicated that he obtained wind/hail coverage for those insureds in coastal counties who wanted to include the coverage; and

WHEREAS, there was concern on the part of the agent in charge at the agency where Mr. Willmon was employed that Mr. Willmon may have not gotten the signatures and/or the consent of insureds. During a telephone call with an insured who purportedly electronically signed a verification form, the agent in charge was told by the insured that she had not signed any forms. Thereafter, all

affected HO3 insureds were contacted, and written consent was obtained from them for acknowledgement of the exclusion in their policies for wind/hail coverage; and

WHEREAS, such actions on the part of Mr. Willmon appear to be reflective of and in violation of the provisions of N.C. Gen. Stat. § 58-33-46(a) (8); and

WHEREAS, North Carolina General Statute § 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, Mr. Willmon has agreed to settle, compromise, and resolve the matters referenced in this Agreement on behalf of 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 Mr. Willmon; and


WHEREAS, the parties to this Agreement mutually wish to resolve this matter by consent before the Agent Services Division 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, Mr. Willmon and the Agent Services Division hereby agree to the following:

1. Immediately upon the signing of this Agreement, Mr. Willmon shall pay a civil penalty of **\$250.00** 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." Mr. Willmon shall remit the civil penalty by certified mail, return receipt requested, to the Agents Services Division along with a copy of this signed Agreement. The civil penalty and the signed Agreement must be received by the Agents Services Division no later than **May 25, 2023**. 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 Mr. Willmon or in any other complaints involving Mr. Willmon.
3. Mr. Willmon enters into this Agreement, on behalf of himself, freely and voluntarily and with the knowledge of his right to have an administrative hearing on this matter. Mr. Willmon understands he 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. Mr. Willmon understands that N.C.G.S. § 58-33-46(a)(2) provides that a producer'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 Mr. Willmon shall reflect that Regulatory Action has been taken against him. The Agent Services Division 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 routinely provides, upon request, a copy of the voluntary settlement agreement to all companies that have appointed the licensee.
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 Agents Services Division cannot give you legal advice as to the specific reporting requirements of other state or federal regulators.

**N.C. Department of Insurance
Agent Services Division**


By: ~~Zachary~~ Zachary Willmon
NPN: 0018515614


By: Angela Hatchell
Deputy Commissioner

Date: 4/26/2023

Date: 5/4/2023