

STATE OF ALASKA
DEPARTMENT OF COMMERCE, COMMUNITY, AND ECONOMIC DEVELOPMENT
DIVISION OF BANKING AND SECURITIES

In the matter of:

FNC Insurance Agency, Inc.

Respondent.

ORDER NO: 17-141-C

**CONSENT AGREEMENT
ASSESSING CIVIL PENALTIES**

The Director of the Department of Commerce, Community, and Economic Development, Division of Banking and Securities (“Department”), has conducted an investigation into the conduct of FNC Insurance Agency, Inc. (“Respondent”) and has determined that Respondent violated certain provisions of AS 06.55 et seq. (“Alaska Uniform Money Services Act”).

Respondent agrees that the Department has jurisdiction over Respondent and these matters pursuant to the Alaska Uniform Money Services Act.

Respondent wishes to resolve and settle this matter with the Department. As evidenced by the authorized signature on this Order, Respondent consents to the entry of this Order to assess civil penalties based on the Conclusions of Law and Order. Respondent waives its right to a hearing.

I. FACTS

1. Respondent is a corporation organized under the laws of the State of California, file no. C0911182, and maintains a principal place of business at 14700 Citicorp Drive, Hagerstown, Maryland, 21742. C T Corporation System is the registered agent.

2. Respondent provides money transmission services through a web-based software

1 bi-weekly payment service to mortgage loan subscribers.

2 3. From 2008 to 2016, Respondent provided services to Alaska subscribers including
3 automating payables and issuing transfer instructions to transfer funds between its
4 subscribers' bank accounts and vendor accounts.

5 4. From 2008 to 2012, Respondent generated fees each year in Alaska.

6 5. Respondent has no physical office in Alaska and operates solely over the internet.

7 6. Respondent has cooperated with the Department in its investigation into this
8 matter.

9 7. Respondent completed an application for a money transmission license in Alaska on
10 November 21, 2016, and that application was approved December 9, 2016.

11 II. CONCLUSIONS OF LAW

12 1. From 2008 to 2016, Respondent engaged in "money transmission" in Alaska as that
13 term is defined in AS 06.55.990(15) by automating payables and receivables, issuing transfer
14 instructions to transfer funds between its subscriber's bank accounts and vendor accounts,
15 and generating fees each year from Alaska subscribers.

16 2. From 2008 to 2016, Respondent violated AS 06.55.101(a) by engaging in money
17 transmission in Alaska without a money transmission license.

18 3. Pursuant to AS 06.55.605, Respondent is subject to a civil penalty because it violated
19 AS 06.55.101(a).

20 4. Pursuant to AS 06.55.407(b), this Order is a public document because the Department
21 determined that the release of information is reasonably necessary for the protection of the
22 public and in the interests of justice.

23 //

24 //

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24

III. ORDER

Pursuant to AS 06.55.604, it is hereby ORDERED:

1. Respondent shall pay a civil penalty in the amount of one hundred thirty five thousand dollars (\$135,000.00), plus six hundred dollars (\$600.00) to reimburse the Department for the costs of its investigation, for a total amount of one hundred thirty five thousand six hundred dollars (\$135,600.00).

2. This Order is a publicly disclosable document.

IT IS SO ORDERED.

Chris Hladick, Commissioner
Department of Commerce, Community,
and Economic Development

June 14, 2017
Date

/s/ Kevin Anselm
Kevin Anselm, Director
Division of Banking and Securities

Consent to Entry of Order

Robert M. Duval, Vice President, as authorized representative of FNC Insurance Agency, Inc. (“Respondent”), acknowledges that he has read the foregoing Order and that he knows and fully understands the Order contents; that Respondent has been represented by counsel in this matter; that Respondent acknowledges violation of the Alaska Uniform Money Services Act; that Respondent voluntarily and without any force or duress, consents to the entry of this Order, expressly waiving its right to a hearing in this matter; that Respondent understands that the Department reserves the right to take further actions to

1 enforce this Order or to take appropriate action upon discovery of other violations of the
2 Alaska Uniform Money Services Act, and that Respondent will fully comply with the terms
3 and conditions stated herein.

4 Respondent further assures the Department that Respondent and its members,
5 officers, employees and agents will only effect money transmissions in Alaska in full
6 compliance with the terms of this Order and the Alaska Uniform Money Services Act.

7 Respondent acknowledges that this Order is a publicly disclosed document.

8
9 June 13, 2017 /s/ Robert M. Duval/VP
10 Date Robert M. Duval for
11 FNC Insurance Agency, Inc.

12 SUBSCRIBED AND SWORN TO before me this 13th day of June, 2017 at
13 Dallas County, TX.

14
15 /s/ Cheryl Ann Gibson
16 Notary Public in and for Dallas County
17 Cheryl Ann Gibson
18 Notary Printed Name
19 My commission expires: 12/29/2017

20 Contact Person:
21 Yvonne Little
22 Investigator
23 (907) 269-4584
24