BEFORE ALLAN L. MCVEY, INSURANCE COMMISSIONER OF THE STATE OF WEST VIRGINIA

In re: Paul Spurlock Administrative Proceeding No. 24-IC-175653

CONSENT ORDER

In lieu of holding an Administrative Hearing in this matter, the parties hereto have reached an accord and desire an agreed Consent Order to be entered accordingly. Paul Spurlock, Producer License #7005979 understands and agrees that by consenting to this Consent Order he waives all rights to an administrative hearing and to judicial review of this matter. Paul Spurlock understands and agrees that by consenting to this Order he is agreeing to an administrative action being taken against his producer license.

The Insurance Commissioner for the State of West Virginia (hereinafter "Commissioner") believes the entry of this Consent Order is appropriate and in the public interest.

JURISDICTION

The Commissioner has jurisdiction over the subject matter of this action and over Paul Spurlock, pursuant to W.Va. Code § 33-12-1, *et seq*.

APPLICABILITY

This Consent Order applies to Paul Spurlock, Producer License #7005979, issued pursuant to Chapter 33, Article 12 of the West Virginia Code.

EFFECT ON THIRD PARTIES

This Consent Order does not vest standing in any third party with respect to the terms hereof, nor create for any person, other than the parties hereto, a right to enforce its terms.

ALLEGED FACTS

W. Va. Code § 33-12-34(b) requires that "[w]ithin thirty days of the initial pretrial hearing date, a producer shall report to the Insurance Commissioner any criminal prosecution of the producer taken in any jurisdiction. The report shall include a copy of the initial complaint filed, the order resulting from the hearing and any other relevant legal documents."

Further, "[t]he Insurance Commissioner may place on probation, suspend, revoke or refuse to issue or renew an insurance producer's license . . . or may levy a civil penalty or any combination of actions, for any one or more of the following causes" including "violating any insurance laws," "[h]aving been convicted of or pleaded nolo contendere to any felony" and "[u]sing fraudulent, coercive, or dishonest practices, or demonstrating incompetence, untrustworthiness or financial irresponsibility in the conduct of business in this state or elsewhere[.]" W.Va. Code §§ 33-12-24(b)(2), (6), and (9).

On November 20, 2023, in the United States District Court for the Southern District of West Virginia, Mr. Spurlock pleaded guilty to knowingly executing and attempting to execute a scheme to defraud a financial institution. This scheme involved obtaining money from a financial institution through materially false and fraudulent pretenses, representations, and promises. Specifically, Mr. Spurlock wrote a fraudulent check payable to another person from a bank account owned by a business where he served as treasurer. This action constitutes a felony violation of 18 U.S.C. § 1344, titled "Bank Fraud." Mr. Spurlock was sentenced on June 3, 2024. Mr. Spurlock did not notify the Commissioner of his pending criminal charges or his ultimate conviction, and therefore, violated W.Va. Code § 33-12-34(b) and, by extension, W.Va. Code § 33-12-24(b)(2). Mr. Spurlock has been convicted of a felony, which violates W.Va. Code § 33-12-24(b)(6). Finally, Mr. Spurlock's conviction involves elements of fraud in the conduct of business in this state, which violates W.Va. Code § 33-12-24(b)(9).

AGREED ACTION

By executing this Consent Order, Paul Spurlock consents to the entry of this Order against him. In addition, he acknowledges that the Insurance Commissioner has amassed such evidence that the Commissioner might prevail at a hearing against him resulting in the revocation or suspension of his license and the imposition of a civil fine or penalty pursuant to W.Va. Code § 33-12-24(e). Accordingly, Paul Spurlock consents to a monetary penalty in the amount of Five Thousand Dollars ($5,000.00) to resolve this matter.

FINAL DISPOSITION

This Consent Order shall constitute the final disposition of Commissioner administrative proceeding 24-IC-174653.

MISCELLANEOUS PROVISIONS

Jurisdiction of this case is retained for enforcement of this Consent Order. Any party hereto may apply to the Commissioner for such further orders and directions as may be necessary or appropriate for the construction and enforcement of this Consent Order. The remedies in this Consent Order are cumulative and in addition to any other remedies the Insurance Commissioner may have at law or equity. Nothing herein shall be construed to prevent the Commissioner from bringing any action for conduct not released hereunder, even though that conduct may also violate this Consent Order.

Paul Spurlock understands that this is an action taken against his license and will be reported to the RIRS database maintained by The National Association of Insurance Commissioners (NAIC).

ORDER

WHEREFORE, based upon the foregoing, it is the finding of the Insurance Commissioner that Paul Spurlock violated W.Va. Code §§ 33-12-34(b), 33-12-24(b)(2), 33-12-24(b)(6), and 33-12-24(b)(9). It is, therefore, **ORDERED,** pursuant to W. Va. Code § 33-12-24(e), that Paul Spurlock's resident producer license be revoked and that he shall pay a penalty to the State of West Virginia in the amount of Five Thousand Dollars ($5,000.00) within thirty (30) days of the date of this Order.

Entered on this 25th day of September 2024.

ALLAN L. MCVEY, CPCU, ARM, AAI, AAM, AIS
INSURANCE COMMISSIONER

Agreed To:

Paul Spurlock NPN #7005979

On Behalf of the
West Virginia Insurance Commissioner

Andrew S. Ryan (WVSB #12813)
Attorney
Regulatory Compliance