

**BEFORE THE MISSISSIPPI INSURANCE DEPARTMENT
STATE OF MISSISSIPPI**

**IN RE: CLARENCE WALLACE PALMER and
NEIGHBORHOOD INSURANCE SERVICES, INC.**

**VOLUNTARY SURRENDER OF LICENSE
AND CONSENT TO ADMINISTRATIVE PENALTY**

I, **CLARENCE WALLACE PALMER**, having **Mississippi Insurance Producer and Surplus Lines License No. 501790**, and **NEIGHBORHOOD INSURANCE SERVICES, INC.**, a Mississippi Corporation, having **Mississippi Insurance Producer Entity License No. 15012687**, having been fully advised of the charges of possible violations of the Mississippi Code and our rights to a hearing as provided in Miss. Code Ann. § 83-17-71 (Supp. 2013) and understanding that we are entitled to a hearing before the Commissioner of Insurance of the State of Mississippi to determine the reasonableness of the Commissioner's action, do hereby waive the right to a hearing and consent to the following:

- (1) I, Clarence Wallace Palmer, do hereby voluntarily surrender my Mississippi Producer and Surplus Lines License No. 501790, to act as an insurance producer in the State of Mississippi, effective on December 15, 2014, to include any and all authorities associated with such license. I do further specifically agree to cease selling, soliciting or negotiating any insurance, procuring insurance obligations, making or causing to be made in any way, directly or indirectly, any contract of insurance, receiving or receipting for money on behalf of an insurer for insurance, or securing or aiding in the placement of any contract of insurance, and to refrain from any licensed activities in the State of Mississippi.
- (2) Neighborhood Insurance Services, Inc., acting by and through its Director, Designated Responsible Individual, and Qualifying Active Officer, Clarence Wallace Palmer, does hereby voluntarily agree to, and it's Mississippi Insurance Producer Entity License # 15012687 is hereby placed on probation for a period of one (1) year, conditioned upon its compliance with the Laws of the State of Mississippi, the Regulations of the Mississippi Insurance Department, and the requirements placed upon it and described in this instrument.
- (3) Clarence Wallace Palmer does hereby agree to pay a fine to the Mississippi Insurance Department in the amount of One Thousand Dollars (\$1,000), which shall be immediately due and payable in full.
- (4) Neighborhood Insurance Services, Inc. does hereby agree to immediately establish and maintain a banking account separate from their general business account. This separate "premium" account shall be used for the deposit of all client premium payments made to or through the agency, and all client premium moneys shall be

held in such account until properly disbursed to the insurer, or for the payment of commissions, or some other appropriate and proper use of the funds.

(5) Clarence Wallace Palmer and Neighborhood Insurance Services, Inc. do agree, jointly and severally, to reimburse the following entities as follows:

(a) Imperial Premium Finance Co., in the amount of \$2,700.59;

(b) Premium Assignment Corporation, in the amount of \$2,893.01;

The reimbursements provided for herein shall be paid in full within 90 days of the effective date of this instrument. Furthermore, Clarence Wallace Palmer and Neighborhood Insurance Services, Inc. both agree to promptly provide the Mississippi Insurance Department with evidence of the payments made to these entities.


(6) Neighborhood Insurance Services, Inc. agrees to appoint and document a new designated responsible party on record with the Mississippi Insurance Department within 45 days of the effective date of this instrument;

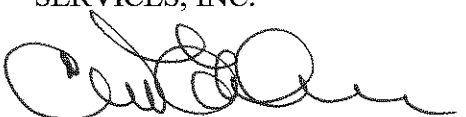
(7) Neighborhood Insurance Services, Inc. does agree to promptly reimburse its clients any and all improperly charged agency fees, relative to all active policyholders, with such reimbursements to be provided to the client/policyholder within 180 days of the effective date of this agreement. Furthermore, Neighborhood Insurance Services, Inc. agrees to promptly provide the Mississippi Insurance Department with evidence of the payments made to the policyholders at issue.

This Voluntary Surrender of License and Consent to Administrative Penalty is being tendered in lieu of other possible administrative action by the Department of Insurance of the State of Mississippi.

The effective date of this Voluntary Surrender of License and Consent to Administrative Penalty shall be December 15, 2014.

SO AGREED, this the 17 day of November, 2014.

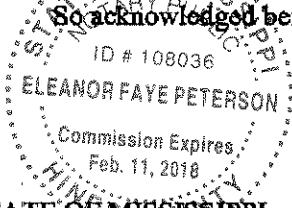

CLARENCE WALLACE PALMER,
Individually

NEIGHBORHOOD INSURANCE
SERVICES, INC.

By: Clarence Wallace Palmer
Its: Director / Responsible
Individual / Qualifying Active
Officer

STATE OF MISSISSIPPI
COUNTY OF _____

Personally appeared before me, the undersigned authority in and for the said county and state, within my jurisdiction, the within named CLARENCE WALLACE PALMER, who acknowledged that he executed the above and foregoing instrument, as his own free and voluntary act and deed.

So acknowledged before me on this the 17 day of November, 2014.

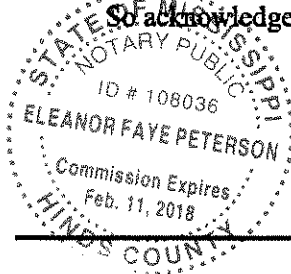


Eleanor Peterson
Notary Public
My Commission Expires:

STATE OF MISSISSIPPI
COUNTY OF _____

Personally appeared before me, the undersigned authority in and for the said county and state, within my jurisdiction, the within named CLARENCE WALLACE PALMER, who acknowledged that he is Director, Responsible Individual, and Qualifying Active Officer for NEIGHBORHOOD INSURANCE SERVICES, INC., and that for and on behalf of the said corporation, and as its act and deed he executed the above and foregoing instrument, after first having been duly authorized by said corporation so to do.

So acknowledged before me on this the 17 day of November, 2014.



Eleanor Peterson
Notary Public
My Commission Expires:

Accepted by: Mike Chaney
MIKE CHANEY
COMMISSIONER OF INSURANCE

This the 24th day of November, 2014.