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N.C. Dept. Of Insurance
Public Services Group



NORTH CAROLINA DEPARTMENT OF INSURANCE
RALEIGH, NORTH CAROLINA

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A.S. - N.C.D.O.I.

STATE OF NORTH CAROLINA
COUNTY OF WAKE

BEFORE THE COMMISSIONER
OF INSURANCE

DEC 14 2004



IN THE MATTER OF THE LICENSURE
OF A. R. C. ACCOUNTS RECOVERY
(U.S.A.) CORPORATION, LLC

VOLUNTARY SETTLEMENT
AGREEMENT

CHECK NO. 1000
CHECK AMT. 1000
PROFESSOR

NOW COME A.R.C. Accounts Recovery (U.S.A) Corporation, LLC (hereinafter "A.R.C.") and the North Carolina Department of Insurance (hereinafter "NCDOI"), and hereby enter into the following Voluntary Settlement Agreement (hereinafter "this Agreement"):

WHEREAS, A.R.C. is a limited liability company organized and existing under the laws of the State of Delaware; and

WHEREAS, NCDOI has the authority and responsibility for enforcement of the provisions of Chapter 58 of the North Carolina General Statutes applicable to collection agencies and the collection agency business; and

WHEREAS, North Carolina law requires a collection agency to obtain and maintain a separate permit issued by NCDOI for each location at which the agency desires to carry on a collection agency business; and

WHEREAS, A.R.C. is a collection agency with a single location in the State of Washington that requires a permit from NCDOI; and

WHEREAS, A.R.C. obtained a permit from NCDOI for the July 1, 2003 to June 30, 2004 licensure year; and

WHEREAS, at the expiration of the July 1, 2003 to June 30, 2004 licensure year, A.R.C. failed to renew its NCDOI permit; and

WHEREAS, A.R.C. continued to conduct collection agency business after June 30, 2004 without the required permit in violation of North Carolina law; and

WHEREAS, A.R.C. has now made proper application to NCDOI for a renewal permit; and

WHEREAS, pursuant to N. C. Gen. Stat. § 58-2-70(g), the Commissioner of Insurance and NCDOI 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 desire to resolve this matter by consent to avoid NCDOI administrative action regarding this matter; 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, NCDOI and A.R.C. hereby agree to the following:

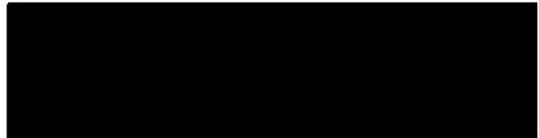
1. A.R.C., and all of its present or future locations, shall comply with all provisions of Chapter 58 of the North Carolina General Statutes and Title 11 of the North Carolina Administrative Code that are applicable to them.
2. Contemporaneously with the execution of this document, A.R.C. shall pay a civil penalty of \$ 1,000.00 to NCDOI. The check or money order for the payment of this civil penalty shall be payable to the “North Carolina Department of Insurance.”
3. In the event A.R.C. or any of its present or future locations fail to comply with this Agreement or otherwise fail to comply with the laws and regulations applicable to them, NCDOI may take any administrative or legal action it is authorized to take.
4. The parties to this Agreement agree that this Agreement shall have the full force and effect of an Order of the Commissioner of Insurance. A.R.C. understands that N. C. Gen. Stat. § 58-70-40(c)(6) provides that a collection agency’s permit may be revoked if a partner, proprietor or officer of the collection agency has violated or refused to comply with an Order of the Commissioner.
5. The parties have read and understand this Agreement and agree to abide by the terms and conditions stated herein.



This the 7TH day of ~~November~~ DECEMBER, 2004.



A.R.C. Accounts Recovery (U.S.A.)
Corporation, LLC
By: JOSEPH M. POLARD
~~President~~ GENERAL MANAGER



North Carolina Department of Insurance
By: Angela Ford
Senior Deputy Commissioner