

**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 FRANK A. GUTTA
LICENSE NO. 0000435346**

**VOLUNTARY SETTLEMENT
AGREEMENT**

NOW COME, Frank A. Gutta (hereinafter “Mr. Gutta”) and the Agent Services Division of the N.C. Department of Insurance (hereinafter “Agent 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. Gutta currently holds a Non-resident Producer’s license with authority for Life and Accident & Health or Sickness lines of insurance issued by the Agent Services Division; and

WHEREAS, North Carolina General Statute § 58-33-32(k) requires producers to report to the Commissioner any administrative action taken against the producer in another state or by another governmental agency in this State, including enforcement actions taken against the producer by the Financial Industry Regulatory Authority (FINRA), within 30 days after the final disposition of the matter; and

WHEREAS, Mr. Gutta, with respect to his January 06,2022 application for licensure with the California Department of Insurance, failed to disclose administrative actions taken against his producer’s license by the states of Virginia (May 08,2012), California (November 23,2012), and Illinois (May 08,2018) for which Mr. Gutta was fined in the amount of five-hundred dollars (\$500.00), placed on license probation, and issued a restricted license effective July 08,2022; and

WHEREAS, Mr. Gutta was fined five-hundred dollars (\$500.00) by the Commonwealth of Virginia, Bureau of Insurance, effective May 08,2012, pursuant to a Settlement Agreement, for failure to report his execution of a Letter of Acceptance, Waiver and Consent before the Financial Industry Regulatory Authority (“FINRA”) in which Mr. Gutta’s authority to act as an investment company and variable contracts producer representative was suspended for two (2) years; and

WHEREAS, the California Department of Insurance, effective November 23,2012, suspended Mr. Gutta’s license from November 26,2012 to January 24,2013 and was placed on probation, restricted his license pursuant to California law based on the FINRA suspension; and

WHEREAS, Mr. Gutta was fined by the Illinois Department of Insurance in the amount of \$250.00, effective May 08,2018, for not revealing the administrative actions from FINRA, California and Virginia on his application for licensure; and

WHEREAS, by failing to report the administrative actions taken by California, Virginia, Illinois and FINRA within thirty (30) days of the final disposition of those matters, Mr. Gutta was in violation of the provisions of North Carolina General Statute § 58-33-32(k); 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. Gutta has agreed to settle, compromise, and resolve the matter 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 this matter against Mr. Gutta; 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. Gutta and the Department hereby agree to the following:

1. Immediately upon the signing of this Agreement, Mr. Gutta shall pay a civil penalty of **\$400.00** 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. Gutta shall remit the civil penalty by certified mail, return receipt requested, to the Agent Services Division along with a copy of this signed Agreement. The civil penalty and the signed Agreement must be received by the Department no later than **April 03,2023**. 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. Gutta or in any other complaints involving Mr. Gutta.

3. Mr. Gutta 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. Gutta 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. Gutta 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 Agents Services Division to Mr. Gutta 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, upon request, routinely will provide a copy of the voluntary settlement agreement to 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 Agent 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: Frank A. Gutta
License No. 0000435346


By: Angela Hatchell
Deputy Commissioner

Date: 3/6/23

Date: 3/16/2023