

NORTH CAROLINA DEPARTMENT OF INSURANCE
RALEIGH, NORTH CAROLINA

#115636

STATE OF NORTH CAROLINA)
COUNTY OF WAKE)

IN THE MATTER OF THE LICENSURE)
OF MICHAEL HOLIAN)

NPN 6440867)

PROCESSOR
CHECK AMT.
BEFORE THE [REDACTED] COMMISSIONER
OF INSURANCE
AUG - 4 2020
VOLUNTARY SETTLEMENT
A.S.-N.C.D.O.I.
RECEIVED IN FINANCES AGREEMENT

NOW COMES Michael Holian [hereinafter, "Mr. Holian"] and the North Carolina Department of Insurance [hereinafter "the Department"], by and through Senior Deputy Commissioner Angela Hatchell, and hereby voluntarily and knowingly enter into the following Voluntary Settlement Agreement, hereinafter "this document":

WHEREAS, the Department's Agent Services Division [hereinafter, "Agent Services"] has the authority and responsibility for enforcement of the insurance laws of this State, for regulating and licensing insurance agents, and for regulating the continuing education of insurance agents;

WHEREAS, Mr. Holian was previously licensed in North Carolina as a non-resident agent from May 25, 2004 until April 1, 2006 when his license was cancelled for failing to certify completion of Continuing Education in his then home state of South Carolina;

WHEREAS, on May 6, 2005, the South Carolina Department of Insurance entered a Default Order Revoking All Licensing Privileges of Mr. Holian for having deceived or dealt unjustly with a citizen of South Carolina by cancelling an existing Medigap policy of Laverne A. Johnson without her knowledge or consent;

WHEREAS, Mr. Holian failed to notify Agent Services of the revocation of his license by the South Carolina Department of Insurance within 30 days as required by N.C. Gen. Stat. § 58-33-32(k);

WHEREAS, Agent Services received a complaint from Blue Cross Blue Shield on September 20, 2005 which alleged that Mr. Holian: (a) was selling Medicare products in North Carolina without holding the required Medicare Supplement/Long Term Care license and (b) made misleading statements to a consumer to induce her to replace her Blue Cross Blue Shield policy;

WHEREAS, Mr. Holian failed to response to Agent Services' written inquiries regarding the complaint prior to his license being cancelled on April 1, 2006;

WHEREAS, Mr. Holian passed the license examination for a resident Life agent license on September 9, 2006 and falsely answered “No” in response to the application screening question “Have you or any business in which you are or were an owner, partner, officer, or director ever been involved in an administrative proceeding regarding any professional or occupational license or registration?”

WHEREAS, Mr. Holian failed to respond to inquiries from Agent Services regarding his September 9, 2006 application and false answer to the application screening question. The application was subsequently abandoned by Mr. Holian due to lack of response;

WHEREAS, Mr. Holian passed the license examination for resident Life, Accident, and Health or Sickness, and Medicare Supplement/Long Term Care Agent’s licenses on January 28, 2020 and falsely answered “No” in response to the application screening question “Have you or any business in which you are or were an owner, partner, officer, or director ever been involved in an administrative proceeding regarding any professional or occupational license or registration?”;

WHEREAS, Mr. Holian failed to notify the Department of a change in his residential address in violation of N.C. Gen. Stat. § 58-2-69(c);

WHEREAS, Agent Services may refuse to issue Mr. Holian’s license application pursuant to N.C. Gen. Stat. § 58-33-46(a) (1) for “Providing materially incorrect, misleading, incomplete, or materially untrue information in the license application”;

WHEREAS, Agent Services may refuse to issue Mr. Holian’s license application pursuant to N.C. Gen. Stat. § 58-33-46(a) (2) for “Violating any insurance law of this or any other state . . .”;

WHEREAS, Agent Services may refuse to issue Mr. Holian’s license application pursuant to N.C. Gen. Stat. § 58-33-46(a) (3) for “Obtaining or attempting to obtain a license through misrepresentation or fraud”;

WHEREAS, Agent Services may refuse to issue Mr. Holian’s license application pursuant to N.C. Gen. Stat. § 58-33-46(a)(9) for “Having an insurance producer license, or its equivalent, denied, suspended, or revoked in any other jurisdiction for reasons substantially similar to those listed in this subsection”;

WHEREAS, Agent Services sent Mr. Holian a letter on March 27, 2020 which informed him that Agent Services was denying his license application, explained the factual and statutory basis for the denial, and informed him of his right to request a review of the denial under N.C. Gen. Stat. § 58-33-30(g);

WHEREAS, by letter to Agent Services dated April 2, 2020, Mr. Holian requested a review of the denial of his agent’s licenses;

WHEREAS, Agent Services notified Mr. Holian by letter dated May 22, 2020 that Agent Services had scheduled a review of the denial of his agent's license application to be held at the Department on June 16, 2020;

WHEREAS, Mr. Holian appeared for the scheduled review at the Department on June 16, 2020 and discussed the allegations which Agent Services made against him in the March 27, 2020 denial letter;

WHEREAS, Mr. Holian admitted that he did sell Medicare products in North Carolina without holding the required Medicare Supplement/Long Term Care license in violation of N.C. Gen. Stat. § 58-33-5 as alleged by Blue Cross Blue Shield and admitted that he failed to respond to Agent Services' inquiries regarding Blue Cross Blue Shield's complaint;

WHEREAS, on March 1, 2005, the South Carolina Department of Insurance mailed a Letter of Allegation and Notice of Opportunity for a Public Hearing (the "Notice") to Michael J. Holian at 1522 Dillwin Road, Rock Hill, South Carolina by depositing the notice in the United States mail, postage prepaid, addressed to the last known address of the person and registered with the return receipt requested;

WHEREAS, on March 15, 2005, the United States Postal Service returned the Notice to the South Carolina Department of Insurance marked "unclaimed;"

WHEREAS, Mr. Holian was in the process of a divorce at the time that the Notice was mailed to the address detailed above;

WHEREAS, Mr. Holian was living in an apartment in Charlotte, North Carolina at the time that the Notice was mailed to the address detailed above;

WHEREAS, Mr. Holian provided no response to the Notice;

WHEREAS, the South Carolina Department of Insurance's Default Order Revoking All Licensing Privileges of Mr. Holian notes that Mr. Holian provided no response to the Notice and that Mr. Holian did not avail himself of his opportunity to be heard;

WHEREAS, Mr. Holian asserts that he was not personally aware of the revocation of his South Carolina insurance license in 2005, which is why he did not disclose this to the Department or Agent Services;

WHEREAS, pursuant to N.C. Gen. Stat. § 58-2-70, the Commissioner is authorized to negotiate a mutually acceptable agreement with any person as to the status of the person's license or as to any civil penalty or restitution;

WHEREAS, Mr. Holian has agreed to pay a total administrative fine of one thousand and

fifty dollars (\$1050.00) and the Department has agreed to issue Mr. Holian's licenses in lieu of an administrative hearing seeking to uphold the denial of his licenses under N.C. Gen. Stat. § 58-33-46;

WHEREAS, the Department issued Mr. Holian's licenses on June 17, 2020 following his written confirmation of his agreement to the terms of this Voluntary Settlement Agreement;

WHEREAS, the parties to this document have reached a mutually agreeable resolution of this matter as set out in this Voluntary Settlement Agreement.


NOW, THEREFORE, in exchange for the consideration of the promises and agreements set out herein, the Department and Mr. Holian hereby agree to the following:

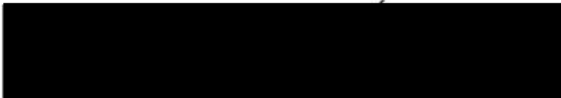
1. Contemporaneously with the execution of this document, Mr. Holian shall pay a civil penalty of one thousand and fifty dollars (\$1050.00) to the Department. The check for the payment of this civil penalty shall be payable to the "North Carolina Department of Insurance." This civil penalty shall be subject to disbursement in accordance with the provisions of Article IX, Section 7 of the North Carolina Constitution for the benefit of the public schools. The Department must receive both the civil penalty and this signed document from Mr. Holian no later than **September 1, 2020.**
2. Mr. Holian agrees to comply with all statutory and regulatory requirements applicable to insurance agents in this State.
3. This Agreement does not in any way affect the Department's disciplinary power in any future actions, cases or complaints involving Mr. Holian and unrelated to the facts of this case.
4. The parties to this document agree that the Superior Court of Wake County shall be the venue for any actions seeking to enforce this document.
5. If, for any reason, any part or provision of this document is found to be void or unenforceable, the other parts and provisions shall remain in full force and effect.
6. The parties to this document have read and understand this document and agree to abide by the terms and conditions contained herein.
7. This Agreement, when finalized, will be a public record and is not confidential. Any and all licenses issued by the Department to the licensee shall reflect that Regulatory Action has been taken against the licensee following the execution of this Agreement. The Department 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 Department routinely provides copies of

voluntary settlement agreements to all companies that have appointed the licensee.

8. The parties to this Agreement agree that this Agreement shall have the full force and effect of an Order of the Commissioner. Mr. Holian understands that N.C. Gen. Stat. § 58-33-46(a)(2) provides that Mr. Holian's license may be revoked for violating an Order of the Commissioner.
9. Mr. Holian voluntarily waives any right to notice of an administrative hearing and any right to a hearing on the violation and disciplinary action referenced in this Settlement Agreement. The Parties waive any right to appeal and agree not to challenge the validity of this Settlement Agreement in any way.
10. The promises, agreements, representations and consideration contained herein are not mere recitals but are contractual in nature.
11. This written document contains the entire agreement between the Parties. There are no other oral or written agreements of any kind that alter or add to this agreement.

This the 28 day of July, 2020.


North Carolina Department of Insurance
By Angela Hatchell
Deputy Commissioner


Michael Holian
Licensee