

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 MARK WHITEHOUSE

VOLUNTARY SETTLEMENT
AGREEMENT

NOW COME Mark Whitehouse (hereinafter "Mr. Whitehouse") and the North Carolina Department of Insurance (hereinafter the Department), and hereby voluntarily and knowingly enter into the following Voluntary Settlement Agreement (hereinafter this Agreement):

WHEREAS, the Department has the authority and responsibility for enforcement of the insurance laws of this State, and for regulating and licensing insurance agents; and

WHEREAS, Mr. Whitehouse holds licenses issued by the Department in the areas of Life and Health, Property and Liability, and Medicare Supplement/Long Term Care; and

WHEREAS, the Department's Agent Services Division (Agent Services) received and investigated allegations against Mr. Whitehouse received from another agent; and

WHEREAS, the information received by Agent Services indicates that Mr. Whitehouse violated **N.C. Gen. Stat. § 58-33-46(a)(8)** and **N.C. Gen. Stat. § 58-33-105** regarding a group health insurance application submitted to Blue Cross and Blue Shield of North Carolina for a company. Agent Services received information indicating that Mr. Whitehouse improperly wrote two of the company's employees under individual short term health policies that were subsequently cancelled when the two employees were added to the group policy, because including these employees in the group health policy application in the first instance would have disqualified the group; and

WHEREAS, information received by Agent Services also indicates that Mr. Whitehouse violated **N.C. Gen. Stat. §§ 58-63-15** and committed unfair and deceptive trade practices by making untrue allegations to the Department and Blue Cross and Blue Shield regarding actions of another agent related to the group health policy referred to above; and

WHEREAS, Mr. Whitehouse has agreed to settle, compromise, and resolve the matters referenced in this Agreement, and the Department has agreed not to pursue additional penalties, sanctions, remedies, or restitution based on these matters against Mr. Whitehouse; and

WHEREAS, pursuant to N.C.G.S. § 58-2-70(g), the Commissioner of Insurance and the Department 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 mutually wish to resolve this matter by consent before the Department initiates an administrative hearing concerning 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 exchange for, and in consideration of the promises and agreements set out herein, the Department and Mr. Whitehouse hereby agree to the following:

1. Mr. Whitehouse agrees to pay a civil penalty of **five hundred dollars (\$500.00)** to the Department in the form of a certified check (cashier's check) or money order. This payment must be received by the Department no later than August 21, 2006.
2. Mr. Whitehouse enters into this Agreement freely and voluntarily and with knowledge of his right to have an administrative hearing on this matter. Mr. Whitehouse understands that he may consult with an attorney prior to entering into this Agreement.
3. This Agreement does not in any way affect the Department's disciplinary power in any future examinations of Mr. Whitehouse or in any other complaints involving Mr. Whitehouse.
4. The parties to this Agreement agree that this Agreement shall have the full force and effect of an Order of the Commissioner. Mr. Whitehouse understands that **N.C.G.S. 58-33-46(a)(2)** provides that his licenses may be revoked for violating an Order of the Commissioner.
5. 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.

6. The parties have read and understand this Agreement and agree to abide by the terms and conditions stated herein.

This the 11 day of Aug, 2006.

NORTH CAROLINA DEPARTMENT OF
INSURANCE

[Redacted Signature]

Mark Whitehouse

[Redacted Signature]

By: Angela Ford
Senior Deputy Commissioner

8-15-06