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NORTH CAROLINA DEPARTMENT OF INSURANCE
RALEIGH, NORTH CAROLINA

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STATE OF NORTH CAROLINA
COUNTY OF WAKE

BEFORE THE COMMISSIONER
OF INSURANCE

IN THE MATTER OF THE LICENSURE
OF JASON E. ALSTON
LICENSE NO. 0013406376

VOLUNTARY SETTLEMENT
AGREEMENT

NOW COME, Jason E. Alston (hereinafter "Mr. Alston") and the North Carolina Department of Insurance (hereinafter "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. Alston currently holds a producer's license with the Department with authority for Life, and Accident Health or Sickness lines of insurance; and

WHEREAS, North Carolina Gen. Stat. § 58-33-46(a)(2) authorizes the Commissioner of Insurance to place on probation, suspend, revoke, or refuse to renew any license issued under Article 33 of the North Carolina General Statutes for violating any insurance law of this or any other state; and

WHEREAS, North Carolina Gen. Stat. § 58-33-46(a)(8) authorizes the Commissioner of Insurance to place on probation, suspend, revoke, or refuse to renew any license issued under Article 33 of the North Carolina General Statutes for using fraudulent, coercive, or dishonest practices, or demonstrating incompetence, untrustworthiness, or financial irresponsibility in the conduct of business in this State or elsewhere; and

WHEREAS, North Carolina Gen. Stat. § 58-33-46(a)(7) authorizes the Commissioner of Insurance to place on probation, suspend, revoke, or refuse to renew any license issued under Article 33 of the North Carolina General Statutes for having admitted or been found to have committed any insurance unfair trade practice or fraud; and

WHEREAS, North Carolina Gen. Stat. § 58-33-46(a)(4) authorizes the Commissioner of Insurance to place on probation, suspend, revoke, or refuse to renew any license issued under Article 33 of the North Carolina General Statutes for improperly withholding, misappropriating, or converting any monies or properties received in the course of doing insurance business; and

WHEREAS, North Carolina Gen. Stat. § 58-33-85(a), among other things, provides that no insurer, agent, broker or limited representative shall pay, allow, or give, or offer to pay, allow or give, directly or indirectly, as an inducement to insurance, or after insurance has been effected, any rebate, discount, abatement, credit or reduction in the premium named in an policy of insurance, or any special favor or advantage in the dividends or other benefits to accrue thereon, or any valuable consideration or inducement whatever, not specified in the policy of insurance; and

WHEREAS, it was brought to the attention of the Department that Mr. Alston had written a total of 71 direct pay policies with American Family Life Assurance Company (AFLAC) on himself, eleven (11) family members, relatives and friends, using seven different accounts as the method of payment that were drafted by AFLAC and were returned as not having sufficient funds, which actions constituted violations of North Carolina Gen. Stat. §§ 58-33-46(a)(7) and (a)(8); and

WHEREAS, Mr. Alston received in excess of \$13,000 in advance commissions for writing such policies and converted them to his own use, constituting a violation of North Carolina Gen. Stat. § 58-33-46(a)(4); and

WHEREAS, Mr. Alston has agreed to enter into a repayment plan with respect to such advance commissions with AFLAC; and

WHEREAS, Mr. Alston offered to pay the premiums for the first six (6) months for all of the policies written, constituting a violation of North Carolina Gen. Stat. § 58-33-85(a); and

WHEREAS, Mr. Alston has admitted to these violations; and

WHEREAS, Mr. Alston 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 this matter against Mr. Alston; and

WHEREAS, the parties to this Agreement mutually wish to resolve this matter by consent before the Department 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. Alston and the Department hereby agree to the following:

1. Immediately upon the signing of this Agreement, Mr. Alston shall pay a **civil penalty of \$1600.00** to the Department. 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. Alston shall remit the civil penalty by certified mail, return receipt requested, to the Department along with a copy of this signed Agreement. The civil penalty and the signed Agreement must be received by the Department no later than **December 21, 2012**. 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 Department's disciplinary power in any future examinations or investigations of Mr. Alston, or in any other complaints involving Mr. Alston.
3. Mr. Alston enters into this Agreement freely and voluntarily and with the knowledge of his right to have an administrative hearing on this matter. Mr. Alston 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. Alston understands that North Carolina Gen. Stat. § 58-33-46(a)(2) provides that an agent'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 Department. Following the execution of this Agreement, any and all licenses issued by the Department to Mr. Alston shall reflect that Regulatory Action has been taken against him. 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 agreement to all 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.

This the 26th day of December, 2012.

North Carolina Department of Insurance



Jason E. Alston
License No. 000013406376

By:  2-6-13
Angela K. Ford
Senior Deputy Commissioner