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**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
FREDRIC MATTHEW BIALLAS
LICENSE NO. 7682145**

**VOLUNTARY SETTLEMENT
AGREEMENT**

NOW COMES, Fredric Matthew Biallas (hereinafter "Mr. Biallas") and the Agent Services Division of the North Carolina 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. Biallas 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 § 58-33-46(a)(8) provides that the Commissioner may place on probation, suspend, revoke, or refuse to renew any license issued under Article 33 of Chapter 58 of the General Statutes of NC, 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 General Statute § 58-33-40(a) provides that except as provided in subsection (b) of this section, no individual who holds a valid insurance agent's license issued by the Commissioner shall, either directly or for an insurance agency, solicit, negotiate, or otherwise act as an agent for an insurer by which the individual has not been appointed; and

WHEREAS, information made available to the Agent Services Division after a complaint was filed by a North Carolina consumer, indicated that Mr. Biallas had changed the resident's health insurance plan through the marketplace without the consumer's knowledge and consent from a Blue Cross Blue Shield policy to a United Healthcare policy; and

WHEREAS, Mr. Biallas was not appointed by United Healthcare in North Carolina at the time the change in healthcare plans was made and furthermore United Healthcare in their investigation of the complaint found that Mr. Biallas did not speak directly with the consumer and could not have assessed the needs of the consumer properly; and

WHEREAS, such activity on the part of Mr. Biallas, changing insurance coverage without the knowledge and/or consent of the insured and acting as an agent for an insurer by which the individual has not been appointed, was reflective and in violation of the provisions of North Carolina General Statute § 58-33-46(a)(8) and §58-33-40(a); 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. Biallas has agreed to settle, compromise, and resolve the matters 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 these matters against Mr. Biallas; 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. Biallas and the Department hereby agree to the following:


1. Immediately upon the signing of this Agreement, Mr. Biallas shall pay a civil penalty of **\$500.00** 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. Biallas 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 Agent Services Division no later than

November 08, 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 Agents Services Division's disciplinary power in any future examination of Mr. Biallas or in any other complaints involving Mr. Biallas.
3. Mr. Biallas 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. Biallas 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. Biallas 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. Biallas shall reflect that Regulatory Action has been taken against him. The Agents 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 Agents Services Division routinely provides, upon request, a copy of the 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.
7. Be aware that if a state or federal regulator other than the Agents Service 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


By: **Fredric Matthew Biallas**
License No 7682145


By: **Joe Wall**
Deputy Commissioner

Date: 11/30/2023

Date: 12/7/2023