NORTH CAROLINA DEPARTMENT OF INSURANCE
RALEIGH, NORTH CAROLINA

RECEIVED IN AGENT SERVICES
A.S. – N.C.D.O.I.
MAR 8 2022

STATE OF NORTH CAROLINA
COUNTY OF WAKE

BEFORE THE COMMISSIONER
OF INSURANCE [redacted]

CHECK AMT. 500.00
PROCESSOR

IN THE MATTER OF
THE LICENSURE OF
PRIMER FINANCIAL SERVICES
LICENSE NO. 17496056

VOLUNTARY SETTLEMENT
AGREEMENT

NOW COME, Primer Financial Services (hereinafter "Primer") 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, Primer currently holds a resident Corporation (business entity) license (Partnership) issued by the Agent Services Division; and

WHEREAS, an agency review was conducted by Department investigators of Primer Financial Services, Inc. located in Charlotte, NC on October 18, 20 and 29, 2021 to verify that all agency employees are appropriately licensed, to audit the agency's financials, and to randomly review files to verify proper underwriting; and

WHEREAS, the agency is owned by Ms. Amparo Silinski, who is not a licensed agent, and is located among several other businesses that Ms. Silinski owns; the agency employs two licensed agents, Alexandro Cuervo and Ilse Graham, and the Designated Responsible Licensed Producer, Lisa Sanchez Tabet, appears to not be active in the Agency; and

WHEREAS, the agency review was expanded into a target review because of various irregularities discovered by the investigators at the Agency; and

WHEREAS, N.C. Gen. Stat. § 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, among other things, for demonstrating incompetence, untrustworthiness, or financial irresponsibility in the conduct of business in this State or elsewhere; and

WHEREAS, N.C. Gen. Stat. § 58-33-46(a)(4) 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 improperly withholding, misappropriating, or converting any monies or properties received in the course of doing insurance business; and

WHEREAS, 11 NCAC 04.0429 provides: The accounting records maintained by agents, brokers, and limited representatives shall be separate and apart from any other business records and demonstrate at all times that collected funds due to insurers and return premiums due to policyholders are available at all times; and

WHEREAS, the investigators reviewed premium bank account statements from January 2019 through September 2021 and observed overdrafts resulting in negative balances in October 2019, March 2020, and June 2021, and checks that were returned for non-sufficient funds which incurred fees; and transfers being made by Ms. Silinski between the accounts on multiple occasions; and

WHEREAS, Primer is in violation of N.C. Gen. Stat. § 58-33-46(a)(4) and (8) and 11 NCAC 04.0429 in that negative balances were observed in the premium accounts, $180.00 was paid in insufficient fund fees and $3,257.65 in miscellaneous fees were incurred; and

WHEREAS, N.C. Gen. Stat. § 58-2-185 provides: All companies, agents, or brokers doing any kind of insurance business in this State must make and keep a full and correct record of the business done by them, showing the number date, term, amount insured, premiums, and the persons to whom issued, of every policy or certificate or renewal. Information from these records must be furnished to the Commissioner on demand, and the original books of records shall be open to the inspection of the Commissioner when demanded

WHEREAS, 11 NCAC 04.0121 provides; All premium payment receipts and copies issued by an agent, broker or limited representative, shall be dated and contain the printed or stamped name and address of the agency or agent, broker, or limited representative, and the name of the insurer. Receipts shall be signed by the person accepting payment; and

WHEREAS, the lack of a management system made tracing premium payments difficult, if not impossible to accomplish in that deposits are not made daily, and overages from the credit card payments are allowed to represent daily premium deposits in that the Agency does not make change and only whole dollar amounts are receipted which result in discrepancies between what has been paid and what has been receipted; and

WHEREAS, these above findings by the investigators appear to demonstrate financial mismanagement and violations on the part of Primer with respect to N.C. Gen. Stats. §§ 58-33-46(a)(4), 58-33-46(a)(8), and violations of 11 NCAC 4.0429 and N.C. Gen. Stat. § 58-2-185 with respect to premium payment receipts and agency record-keeping; 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;

WHEREAS, pursuant to N.C. Gen. Stat. § 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, Primer has agreed to settle, compromise, and resolve the matters referenced in this Agreement on behalf of itself and the Agent Services Division has agreed not to pursue additional civil ramifications, including penalties, sanctions, remedies, or restitution based on these matters against Primer; and

WHEREAS, the parties to this Agreement mutually wish to resolve this matter by consent 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, Primer and the Agent Services Division hereby agree to the following:

1. Immediately upon the signing of this Agreement, Primer 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." Primer 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 **March 07, 2022**. 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 Primer or in any other complaints involving Primer.

3. Primer enters into this Agreement, on behalf of itself, freely and voluntarily and with the knowledge of its right to have an administrative hearing on this matter. Primer understands it 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. Primer understands that N.C.G.S. § 58-33-46(a)(2) provides that a business entity 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, any and all licenses issued by the Department to Primer shall reflect that Regulatory Action has been taken against it. 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, will routinely provide 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 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 regulator.

PRIMER FINANCIAL SERVICES
License No. 17496056

[redacted]

By: Amparo Silinski
Owner

Date: 03/01/2022

N. C. Department of Insurance
Agent Services Division

[redacted]

By: Angela Hatchell
Deputy Commissioner

Date: 3/9/2022