

**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 WILLIAM A. DOWNING  
LICENSE NO. 0010008165**

**VOLUNTARY SETTLEMENT  
AGREEMENT**

**NOW COME**, William A. Downing (hereinafter "Mr. Downing") and the North Carolina Department of Insurance Bail Bond Regulatory Division (hereinafter "BBRD"), and hereby voluntarily and knowingly enter into the following Voluntary Settlement Agreement (hereinafter "this Agreement").

**WHEREAS**, the BBRD has the authority and responsibility for the enforcement of the insurance laws of this State, and for regulating and licensing bail bondsmen; and

**WHEREAS**, Mr. Downing holds an active license as a Surety Bail Bondsman issued by the BBRD; and

**WHEREAS**, information received by the BBRD relating to bonds written on behalf of Defendant Gregory Scott Brown reflected violations of the North Carolina statutes and rules regulating bail bondsmen and the business of bail bonds on the part of Mr. Downing; and

**WHEREAS**, N.C. Gen. Stat. § 58-71-80(a)(5) provides that the Commissioner may deny, place on probation, suspend, revoke, or refuse to renew any license issued under this Article, in accordance with the provisions of Article 3A of Chapter 150B of the General Statutes, for fraudulent, coercive, or dishonest practices in the conduct of business or demonstrating incompetence, untrustworthiness, or financial irresponsibility in the conduct of business in this State or any other jurisdiction.

**WHEREAS**, N.C. Gen. Stat. § 58-71-80(a)(8) provides, among other things, that the Commissioner may deny, place on probation, suspend, revoke or refuse to renew any license when in the judgment of the Commissioner, the licensee has in the conduct of the licensee's affairs under the license, demonstrated incompetency, financial irresponsibility, or untrustworthiness; and

**WHEREAS**, N.C. Gen. Stat. § 15A-531 provides: Definitions. As used in this Article the following definitions apply unless the context clearly requires otherwise:

2) "Address of record" means:

a. For a defendant or an accommodation bondsman, the address entered on the bail bond under G.S. 15A-544.2, or any later address filed by that person with the clerk of superior court.

**WHEREAS**, N.C. Gen. Stat. § 15A-544.2 provides: Identifying information on bond.

(a) The following information shall be entered on each bail bond executed under Part I of this Article:

(1) The name and mailing address of the defendant

**WHEREAS**, Mr. Downing surrendered Defendant Gregory Scott Brown without cause for absconding without checking his "address of record"; and

**WHEREAS**, N.C. Gen. Stat. § 58-71-140 (d) provides that professional bondsmen, surety bondsmen, and runners shall file with the clerk of court having jurisdiction over the principal and affidavit on a form furnished by the Administrative Office of the Courts which shall include but not limited to: (1) If applicable, a statement that the bondsman has not, nor has anyone for the bondsman's use, been promised or received any collateral security or premium for executing this appearance bond; (2) If promised a premium, the amount of premium promised and the due date; (3) If the bondsman has received a premium, the amount of the premium received; (4) If given collateral security, the name of the person from whom it is received and the nature and amount of the collateral security listed in detail; and

**WHEREAS**, an indemnity agreement was written outside the bond by Mr. Downing and signed by Mr. Brown for the face value, but was not recorded on the Appearance Bond for Pre-Trial Release; and

**WHEREAS**, Mr. Downing did falsely swear to the Court on the Affidavit found on the reverse side of the Appearance Bond for Pre-Trial Release for Mr. Brown that there was no collateral received in connection with the bond, when in fact there was collateral received by Mr. Downing in connection with the bond, a violation of the provisions of N.C. Gen. Stat. § 58-71-140 (d)(2) and (4); and

**WHEREAS**, N.C. Gen. Stat § 58-71-167 provides:

(a) In any case where the agreement between principal and surety calls for some portion of the bond premium payments to be deferred or paid after the defendant has been released from custody, a written memorandum of agreement between the principal and surety shall be kept on file by the surety with a copy provided to the principal. The memorandum shall contain the following information: (1) The amount of the premium payment deferred or not yet paid at the time the defendant is released from jail. (2) The method and schedule of payment to be made by the defendant to the bondsman, which shall include the dates of payment and amount to be paid on each date. (3) That the principal is entitled to a copy of the memorandum.

(b) The memorandum must be signed by the defendant and the bondsman, or one of the bondsman's agents, and dated at the time the agreement is made. Any subsequent modifications of the memorandum must be in writing, signed, dated, and kept on file by the surety, with a copy provided to the principal; and

**WHEREAS**, Mr. Downing did not comply with the requirements of NC Gen. Stat § 58-71-167(a)(1-3) and (b), and therefore was in violation thereof; and

**WHEREAS**, N.C. Gen. Stat. § 58-71-20 provides that at any time before there has been a breach of the undertaking in any type of bail or fine and cash bond the surety may surrender the defendant to the sheriff of the county in which the defendant is bonded to appear or to the sheriff where the defendant was bonded; in such case the full premium shall be returned within 72 hours after the surrender. The defendant may be surrendered without the return of premium for the bond if the defendant does any of the following: (1) Willfully fails to pay the premium to the surety or willfully fails to make a premium payment under the agreement specified in G.S. 58-71-167. (2) Changes his or her address without notifying the surety before the address change. (3) Physically hides from the surety. (4) Leaves the State without the permission of the surety. (5) Violates any order of the court. (6) Fails to disclose information or provides false information regarding any failure to appear in court, any previous felony convictions within the past 10 years, or any charges pending in any State or federal court. (7) Knowingly provides the surety with incorrect personal identification, or uses a false name or alias; and

**WHEREAS**, since none of the conditions set forth in N.C. Gen. Stat. § 58-71-20 existed to allow Mr. Downing to retain the premium paid by Mr. Brown for the bond, Mr. Downing was required to return the premium paid within 72 hours after the surrender, which was not done; and

**WHEREAS**, pursuant to N.C. Gen. Stat. § 58-71-80(a) (7), the Commissioner may deny, suspend, revoke, or refuse to renew any license under Article 71 of Chapter 58 of the North Carolina General Statutes for failure to comply with or violation of the provisions of Article 71 of Chapter 58 of the North Carolina General Statutes or of any order, rule or regulation of the Commissioner; and

**WHEREAS**, Mr. Downing's violations of N.C. Gen. Stat. §§ 58-71-20, 58-71-167(a)(1-3) and (b), and 58-71-140 (d)(2) all demonstrate a failure to comply with and/or a violation of the provisions of Article 71 of Chapter 58 of the North Carolina General Statutes for which Mr. Downing's surety bondsman license could be revoked, suspended or not renewed pursuant to N.C. Gen. Stat. §§ 58-71-80(a)(5) and (8); and

**WHEREAS**, Mr. Downing admits to the violations set out herein; and

**WHEREAS**, pursuant to N.C. Gen. Stat. § 58-2-70(g), the Commissioner of Insurance and the BBRD 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**, in lieu of an administrative hearing on the matters stated herein, Mr. Downing has agreed to settle, compromise, and resolve the matters referenced in this Agreement, and the BBRD has agreed not to pursue additional civil ramifications; including penalties, sanctions, remedies, or restitution based on these matters against Mr. Downing; and


**WHEREAS**, this Agreement is civil in nature and does not preclude criminal prosecution that may result from investigations by the Department's Criminal Investigation Division for violations of criminal laws


**NOW, THEREFORE**, in consideration of the promises and agreements set out herein, the BBRD and Mr. Downing hereby agree to the following:

1. Immediately upon his signing of this document, Mr. Downing shall pay a **civil penalty of \$1,250.00** to the North Carolina Department of Insurance. The form of payment shall be in a 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. Downing shall send the civil penalty by certified mail, return receipt requested, to the N.C. Department of Insurance, Bail Bonds Regulatory Division, 106 Baker Road, Archdale, NC 27263 simultaneously with the return of this Agreement, signed by Mr. Downing. The civil penalty and the signed Agreement must be received by the BBRD no later than **July 09, 2021**. 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 the public schools.
2. Mr. Downing was ordered to and has agreed to return the premium paid by Mr. Brown in the amount of \$2,500.00, paid by means of a cashier's check or money order, within 72 hours of receipt of his executed "Agreement to Accept a Voluntary Settlement and Fine" document dated April 28, 2021 and signed May 10, 2021 and provide confirmation of such action, if not already done; and
3. Mr. Downing is ordered to, and agreed, to write a letter of release for each person he is no longer supervising and send it by certified mail, return receipt requested, to the following address: N.C. Department of Insurance, Bail Bonds Regulatory Division, 106 Baker Road, Archdale, NC 27263 no later than **July 09, 2021**; and
4. As a condition of continuing to be licensed as a surety bail bondsman, Mr. Downing will be required to comply with the provisions of N.C. Gen. Statute § 58-71-71(a) and retake and complete at least 12 hours of education as provided by an approved provider in subjects pertinent to the duties and responsibilities of a bail bondsman including all laws and regulations related to being a bail bondsman, and shall be completed by **July 09, 2021** and forward a Certificate of Completion to [Linda.Long@ncdoi.gov](mailto:Linda.Long@ncdoi.gov); please be advised that such requirement is in addition to completing current statutory requirements regarding annual continuing education requirements, in that such be **completed no later than the current compliance period** if not already completed, and submit documented verification of such completion to the Department.
5. Mr. Downing is ordered to provide to BBRD a copies of the Memorandum of Agreement and Indemnity Agreements used by his office on or before **July 09, 2021**; and
4. Mr. Downing shall obey all laws and regulations applicable to all licenses issued to him; and

5. Mr. Downing enters into this Agreement freely and voluntarily and with knowledge of his right to have an administrative hearing on this matter. Mr. Downing understands that he may consult with an attorney prior to entering into this Agreement.
6. This Agreement does not in any way affect the BBRD's disciplinary power in any future follow-up examinations of Mr. Downing, or in any other cases or complaints involving Mr. Downing.
7. The parties to this Agreement agree that this Agreement shall have the full force and effect of an Order of the Commissioner. Mr. Downing understands that N. C. Gen. Stat. § 58-71-80(a)(7) provides that a surety bondsman's license may be revoked for violating an Order of the Commissioner.
8. This Voluntary Settlement Agreement, when finalized, will be a public record and is not confidential. Any and all licenses issued by the BBRD to the licensee shall reflect that Regulatory Action has been taken against the licensee following the execution of this Agreement. The BBRD is free to disclose the contents of this Agreement to third parties upon request or pursuant to any law or policy providing for such disclosure. The BBRD, upon request, routinely provide a copy of the voluntary settlement agreement to all companies that have appointed the licensee.
11. This Settlement Agreement shall become effective when signed by Mr. Downing and the BBRD.

**N. C. Department of Insurance  
Bail Bond Regulatory Division**

  
By: **William A. Downing**  
License No. 0010008165

  
By: **Marty Sumner**  
Senior Deputy Commissioner

Date: 7-14-21

Date: Jul 29, 2021