

**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
ELLIS HUNTER,
(NPN 8392513)**

**VOLUNTARY SETTLEMENT
AGREEMENT**

NOW COME Ellis Hunter ("Bail Bondsman") and the North Carolina Department of Insurance ("Department") and voluntarily and knowingly enter into the following Voluntary Settlement Agreement ("Agreement"):

WHEREAS, the Department has the authority and responsibility for enforcement of the insurance laws of this State and for regulating and licensing professional and surety bail bondsmen; and

WHEREAS, Bail Bondsman holds separate licenses as a professional bail bondsman and as a surety bail bondsman issued by the Department; and

WHEREAS, N.C. Gen. Stat. §§ 58-71-65(1) and (2), respectively, make a professional bail bondsman responsible for the conduct of any bail bond runners he employs and for supervising the runners' activities; and

WHEREAS, North Carolina law on agency additionally makes Bail Bondsman responsible for the conduct of any of his bail bond runners and other employees or independent contractors whom Bail Bondsman uses to perform his professional and surety bail bond business;

WHEREAS, pursuant to N.C. Gen. Stat. §§ 58-71-65(1) and (2) and/or North Carolina law on agency, any statutory violations by Bail Bondsman's bail bond runners, employees or independent contractors addressed in this Agreement are attributable to Bail Bondsman, any requirements of Bail Bondsman in this Agreement are equally applicable to Bail Bondsman's bail bond runners, employees or independent contractors and any violations of this Agreement by Bail Bondsman's bail bond runners, employees or independent contractors are attributable to Bail Bondsman; and

WHEREAS, N.C. Gen. Stat. § 58-71-140(d) requires that bail bondsmen file an Affidavit of Surety with the court for every bail bond they execute and N.C. Gen. Stat. §§ 58-71-140(d)(2) through (d)(3) require, respectively, that this Affidavit of Surety identify the amount of the premium promised and the due date and the amount of premium received; and

WHEREAS, pursuant to N.C. Gen. Stat. § 58-71-145:

Each professional bondsman acting as surety on bail bonds in this State shall maintain a deposit of securities with and satisfactory to the [North Carolina] Commissioner [of Insurance ('Commissioner')] of a fair market value of at least one-eighth the amount of all bonds or undertakings written in this State on which he is absolutely or conditionally liable as of the first day of the current month. The amount of the deposit must be reconciled with the bondsman's liabilities as of the first day of the month on or before the fifteenth day of said month and the value of said deposit shall in no event be less than fifteen thousand dollars (\$15,000.00)[; and]

WHEREAS, N.C. Gen. Stat. § 58-71-165(a) requires that professional bail bondsmen file with the Commissioner a written report in a form prescribed by the Commissioner regarding all professional bail bonds on which the bondsman is liable as of the first day of each month showing (i) each individual bonded, (ii) the date the bond was given, (iii) the principal sum of the bond, (iv) the State or local official to whom given, and (v) the fee charged for the bonding service; and

WHEREAS, 11 NCAC 13 .0505, entitled "Bail Bond Certification Seal," states:

No professional bail bondsman or his duly appointed runner shall sign a bail bond unless he affixes thereto a 'certification seal.' The certification seal shall be affixed to the bail bond in the space provided for it on the bail bond form supplied by the Administrative Office of the Courts. Certification seals will be supplied to the professional bondsman by the Commissioner of Insurance upon request. Each certification seal shall bear the wording 'North Carolina Department of Insurance' and an identifying number[; and]

WHEREAS, 11 NCAC 13 .0506, entitled "Bail Bond Register," states:

Each professional bail bondsman shall keep at his place of business a bail bond register which shall be a numerically ordered listing of each certification seal used by the professional bail bondsman or his duly appointed runner. The bail bond register shall contain the certification seal number, the name of the principal for whom the bond was signed, the county in which the bond was signed, the amount of the bond, the amount of the fee charged by the professional bail bondsman or his duly appointed runner and the number of the receipt given for amount of the fee charged by the bail bondsman. The bail bond register shall be kept up to date daily by the professional bondsman[; and]

WHEREAS, N.C. Gen. Stat. § 58-71-168 requires that all records related to executing bail bonds, including bail bond registers, monthly reports, receipts, collateral security agreements and memoranda of agreements, shall be kept separate from records of any other business and must be maintained for not less than three years after the final entry has been made; and

WHEREAS, between 2011 and 2015, Bail Bondsman committed certain violations of N.C. Gen. Stat. §§ 58-71-65, 58-71-140(d), 58-71-145, 58-71-165(a), 58-71-168 and 11 NCAC 13 .0506; and

WHEREAS, N.C. Gen. Stat. § 58-71-80(a)(7) authorizes the Commissioner to place on

probation, suspend, revoke or refuse to renew Bail Bondsman's License for failing to comply with or violating the provisions of Article 71 of N.C. Gen Ch. 58 and Title 11 of the North Carolina Administrative Code, including N.C. Gen. Stat. §§ 58-71-65, 58-71-140(d), 58-71-145, 58-71-165(a), 58-71-168 and 11 NCAC 13 .0506; and

WHEREAS, pursuant to N.C. Gen. Stat. § 58-2-70(g), the Commissioner 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 issued by the Department, or as to any civil penalty or restitution; and

WHEREAS, the Parties mutually wish to resolve this matter by consent before the Department initiates an administrative hearing concerning this matter; and

WHEREAS, the Parties 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 Bail Bondsman hereby agree to the following:

1. By December 31, 2018, Bail Bondsman shall pay a civil penalty of THIRTY THOUSAND DOLLARS and No Cents (\$30,000.00) to the Department. Bail Bondsman shall make this payment in part by executing the Security Release Form attached as Exhibit A to this Agreement, which authorizes U.S. Bank, NA ("U.S. Bank") to withdraw FIFTEEN THOUSAND DOLLARS and No Cents (\$15,000.00) from the custodial account Bail Bondsman maintains pursuant to N.C. Gen. Stat. § 58-71-145 and issue a check to the Department in the amount of FIFTEEN THOUSAND DOLLARS and No Cents (\$15,000.00) and in part by providing to the Department a certified check, cashier's check or money order in the amount of FIFTEEN THOUSAND DOLLARS and No Cents (\$15,000.00) made payable to the "North Carolina Department of Insurance." Bail Bondsman shall remit the certified check, cashier's check or money order by hand delivery or certified mail, return receipt requested (attention: Steve Bryant, Bail Bond Regulatory Division, N.C. Department of Insurance, 1204 Mail Service Center, Raleigh, NC 27699-1202). The civil penalty of THIRTY THOUSAND DOLLARS and No Cents (\$30,000.00) 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. By December 31, 2018, Bail Bondsman shall reimburse the Department for a portion of its costs of investigation in the amount of TEN THOUSAND DOLLARS and No Cents (\$10,000.00). Bail Bondsman shall make this payment by providing to the Department a certified check, cashier's check or money order in the amount of TEN THOUSAND DOLLARS and No Cents (\$10,000.00) made payable to the "North Carolina Department of Insurance." Bail Bondsman shall remit the certified check, cashier's check or money order by hand delivery or certified mail, return receipt requested (attention: Steve Bryant, Bail Bond Regulatory Division, N.C. Department of Insurance, 1204 Mail Service
3. Effective the date of this Agreement, Bail Bondsman hereby voluntarily surrenders his

professional bail bondsman license issued to him by the Department for a period of 30 years. Additionally, Bail Bondsman shall return to the Department along with his signed version of this Agreement all professional bond seals issued to him by the Department. Bail Bondsman understands and acknowledges that, upon the surrender of his professional bail bondsman license, he can no longer perform any activities for which such a license from the Department is required and that he may not request relicensure as a professional bail bondsman from the Department during this 30-year period of license surrender. Bail Bondsman's surrender of his professional bail bondsman license does not affect his surety bail bondsman license issued to him by the Department.

4. Effective the date of this Agreement, Bail Bondsman's surety bail bondsman license shall be placed on probation for a period of twenty four (24) months subject to the following term and condition:
 - a. Bail Bondsman shall comply with all applicable provisions of Chapter 58 of the North Carolina General Statutes and Title 11 of the North Carolina Administrative Code.
5. The Parties agree that this Agreement shall have the full force and effect of an Order of the Commissioner. Bail Bondsman understands that N.C. Gen. Stat. § 58-71-80(a)(7) provides that Bail Bondsman's license may be revoked for violating an Order of the Commissioner.
6. Bail Bondsman enters into this Agreement freely and voluntarily and with knowledge of Bail Bondsman's right to have an administrative hearing regarding this matter. Bail Bondsman understands that he may consult with an attorney prior to entering into this Agreement.
7. Bail Bondsman acknowledges that the Bail Bond Regulatory Division ("BBRD") of the Department is available to him for consultation and advice about Bail Bondsman's ongoing surety bail bond business, including regarding compliance with this Agreement and Chapter 58 of the North Carolina General Statutes and Title 11 of the North Carolina Administrative Code. The BBRD encourages Bail Bondsman to seek such advice from it.
8. This Agreement constitutes a complete settlement of all administrative penalties against Bail Bondsman for the acts, policies or practices expressly addressed in this Agreement. Except as to the acts, policies or practices expressly addressed herein, this Agreement does not in any way affect the Department's disciplinary power in any other or future examination of Bail Bondsman or in any complaints involving Bail Bondsman. In the event that Bail Bondsman fails to comply with this Agreement or otherwise fails to comply with the laws and rules applicable to Bail Bondsman, the Department may take any administrative or legal action it is authorized to take.
9. This Agreement, when finalized, will be a public record and is not confidential. 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. Following the execution of this Agreement, any and all licenses issued by the Department to Bail Bondsman shall reflect that Regulatory Action has been taken against Bail Bondsman. The Department routinely provides copies of voluntary settlement agreements to all companies that have appointed the licensee.

10. Bail Bondsman understands and agrees that, if a state or federal regulator other than the Department has issued a permit or license to Bail Bondsman, that regulator may require Bail Bondsman to report this administrative action to it. Bail Bondsman understands and agrees that the Department cannot give Bail Bondsman legal advice as to the specific reporting requirements of other state or federal regulators.
11. This Agreement shall become effective when signed by Bail Bondsman and the Department.


Ellis Hunter

Date: Sept. 17, 2018

NORTH CAROLINA DEPARTMENT OF INSURANCE

By: 

Date: 12/18/18