

**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  
JOSE DOMINGO MARTINEZ  
LICENSE NO. 0018042020**

**VOLUNTARY SETTLEMENT  
AGREEMENT**

**NOW COME**, Jose Domingo Martinez (hereinafter "Mr. Martinez") 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 the enforcement of the insurance laws of this State, and for regulating and licensing bail bondsmen; and

**WHEREAS**, Mr. Martinez holds an active license as a surety bail bondsman issued by the Department; and

**WHEREAS**, The Bail Bond Regulatory Division (BBRD) received a complaint from Vincente Velasco-Rosas to the effect that Mr. Martinez was paid \$2300.00 for a bond written for him on December 29, 2019. Mr. Velasco-Rosas explained that \$300.00 was for the premium and \$2,000.00 was for collateral, and that the case was dismissed on February 28, 2020 but the collateral had not been returned.

**WHEREAS**, Mr. Martinez informed the Department the \$1,300.00 of the fees was made by credit card payment via telephone to his supervising agent, Mr. Mark Derr, and that he had no personal access to that account; and further indicated that \$1,000.00 in cash was paid to him directly and placed into a safety deposit interest free box at the State Employees Credit Union in Gastonia, NC and that he released the money directly to Mr. Derr for return to the client; and

**WHEREAS**, N.C. Gen. Stat. § 58-71-80(a)(4) provides that the Commissioner may deny, place on probation, suspend, revoke, or refuse to renew any license for misappropriation, conversion or unlawful withholding of moneys belonging to insurers or others received in the conduct of business under the license; and

**WHEREAS**, N.C. Gen. Stat. § 58-71-80(a)(8) provides that the Commissioner may deny, place on probation, suspend, revoke, or refuse to renew any license, among other things, for demonstrating incompetence, untrustworthiness, or financial irresponsibility in the conduct of business in this State; and

**WHEREAS**, N.C. Gen. Stat. § 58-71-95(5) provides that no bail bondsman or runner shall accept anything of value from a principal or from anyone on behalf of a principal except the premium, which shall not exceed fifteen percent (15%) of the face amount of the bond;

**WHEREAS**, N.C. Gen. Stat. § 58-71-95(5) further provides that collateral security or other indemnity required by the bondsman to be reasonable in relation to the amount of the bond and shall be returned within 15 days after final termination of liability on the bond; and

**WHEREAS**, Mr. Martinez required collateral security of an unreasonable amount, considering the amount of the bond, and did not return the collateral security within fifteen (15) of the termination of liability thereon, and therefore was in violation of N.C. Gen. Stat. § 58-71-95(5); and

**WHEREAS**, N.C. Gen. Stat. § 58-71-100 (a) provides that when a bail bondsman accepts collateral he or she shall give a written notice for the collateral, and a receipt for which is given a detailed full description of the collateral involved, and such collateral security shall be held and maintained in trust; and if the collateral security is received in the form of cash, check or other negotiable instrument, the licensee shall deposit the cash or instrument within two banking days after receipt in an established, separate non-interest bearing trust account in any bank located in North Carolina; and

**WHEREAS**, Mr. Martinez did not deposit the collateral security within two banking days after receipt, in an established, separate noninterest-bearing trust account in any bank located in North Carolina, and was therefore in violation of N.C. Gen. Stat. § 58-71-100 (a); and

**WHEREAS**, Mr. Martinez's violations of N.C. Gen. Stat. §§ 58-71-80(a)(4) and (a)(8), 58-71-95(5) and 58-71-100(a) 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. Martinez's surety bondsman license could be revoked, suspended or not renewed pursuant to N.C. Gen Stat. § 58-71-80(a)(7); 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. Martinez admits to the violations set out herein; and



**WHEREAS**, in lieu of an administrative hearing on the matters stated herein, Mr. Martinez 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 these matters against Mr. Martinez; and

**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

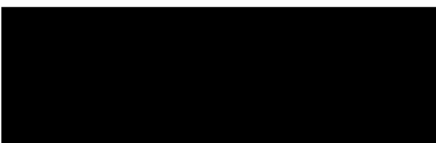
**NOW, THEREFORE**, in consideration of the promises and agreements set out herein, the Department and Mr. Martinez hereby agree to the following:

1. Immediately upon his signing of this document, Mr. Martinez shall pay a **civil penalty of \$1,500.00** to the Department. 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. Martinez shall send the civil penalty by certified mail, return receipt requested, to the Department simultaneously with the return of this Agreement, signed by Mr. Martinez. The civil penalty and the signed Agreement must be received by the Department no later than **August 17, 2020**. 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. As a condition of continuing to be licensed as a surety bail bondsman, Mr. Martinez 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 in lieu of meeting the requirements of the provisions of N.C. Gen. Statute § 58-71-71(b) for the 2021 renewal period; and
3. Mr. Martinez shall obey all laws and regulations applicable to all licenses issued to him.
4. Mr. Martinez enters into this Agreement freely and voluntarily and with knowledge of his right to have an administrative hearing on this matter. Mr. Martinez understands that he may consult with an attorney prior to entering into

this Agreement.

5. This Agreement does not in any way affect the Department's disciplinary power in any future follow-up examinations of Mr. Martinez, or in any other cases or complaints involving Mr. Martinez.
6. The parties to this Agreement agree that this Agreement shall have the full force and effect of an Order of the Commissioner. Mr. Martinez 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.
7. This Voluntary Settlement Agreement, when finalized, will be a public record and is not confidential. All licenses issued by the Department to the licensee shall reflect that Regulatory Action has been taken against the licensee following the execution of this Agreement. The Department 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 Department routinely, upon request, provides a copy of the voluntary settlement agreements to all companies that have appointed the licensee.
8. This Settlement Agreement shall become effective when signed by Mr. Martinez and the Department.

**N.C. DEPARTMENT OF INSURANCE**



**By: Jose D. Martinez**  
**License No. 0018042020**



**By: Marty Sumner**  
**Senior Deputy Commissioner**

**Date:** 9/14/20

**Date:** Sep 24, 2020