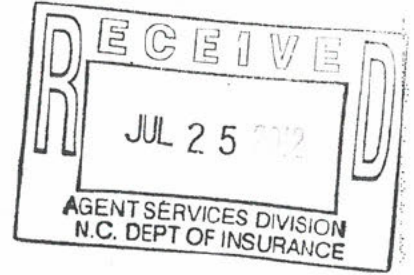


NORTH CAROLINA DEPARTMENT OF INSURANCE  
RALEIGH, NORTH CAROLINA



STATE OF NORTH CAROLINA  
COUNTY OF WAKE

BEFORE THE COMMISSIONER OF  
INSURANCE

IN THE MATTER OF THE  
LICENSURE OF  
BRANDON A. MORGAN  
LICENSE NO. 0012753045

VOLUNTARY SETTLEMENT  
AGREEMENT

NOW COME, Brandon A. Morgan (hereinafter "Mr. Morgan") 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 enforcement of insurance laws of this State, and for regulating and licensing bail bondsmen; and

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

WHEREAS, N.C. Gen. Stat. § 58-71-95(5) provides that no bailbondsmen 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 72 hours after final termination of liability on the bond; and

WHEREAS, N.C. Gen. Stat. § 58-71-100(a), provides that whenever a bailbondsmen accepts collateral, he shall give a written receipt for the collateral, which receipt shall provide in detail a full description of the collateral received which shall be held in trust and deposited in an established, separate noninterest-bearing trust account in any bank located in North Carolina; and

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WHEREAS, N.C. Gen. Stat. § 58-71-168 provides that all records relating to 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, a Department investigation revealed that Mr. Morgan accepted \$700.00 in collateral security in connection with three bonds written for the total amount of \$2000.00 that his agency wrote on Jeffrey Alan Stewart and received from Mr. Stewart's wife, Lola Stewart, guarantor.

WHEREAS, two cases against Mr. Stewart were disposed of on July 19, 2011 in Guilford County Court, and the third was disposed of on November 15, 2011, Mr. Morgan failed to return the collateral security within 72 hours as required by N.C. Gen. Stat. § 58-71-95(5) to the guarantor, Lola Stewart; and

WHEREAS, the receipt given to Lola Stewart for the collateral security by Mr. Morgan did not meet the requirements of N.C. Gen. Stat. § 58-71-100(a); and

WHEREAS, Mr. Morgan could not provide confirmation that the collateral security received from Lola Stewart was deposited in a noninterest-bearing trust account as required by N.C. Gen. Stat. § 58-71-100(a) and provide records to substantiate that he did in fact have a noninterest-bearing trust account established for collateral security required by N.C. Gen. Stat. § 58-71-168; and

WHEREAS, Mr. Morgan's violations of N.C. Gen. Stat. §§ 58-71-95(5), 58-71-100(a), and 58-71-168 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. Morgan'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. Morgan admits to the violations set out herein; and

WHEREAS, in lieu of an administrative hearing on the matters stated herein, Mr. Morgan 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. Morgan; 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. Morgan hereby agree to the following:


1. Immediately upon his signing of this document, Mr. Morgan shall pay a **civil penalty of \$1500.00** 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. Morgan shall send the civil penalty by certified mail, return receipt requested, to the Department simultaneously with the return of this Agreement, signed by Mr. Morgan. The civil penalty and the signed Agreement must be received by the Department no later than July 25, 2012. 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. Morgan shall obey all laws and regulations applicable to all licenses issued to him.
3. Mr. Morgan enters into this Agreement freely and voluntarily and with knowledge of his right to have an administrative hearing on this matter. Mr. Morgan understands that he may consult with an attorney prior to entering into this Agreement.
4. This Agreement does not in any way affect the Department's disciplinary power in any future follow-up examinations of Mr. Morgan, or in any other cases or complaints involving Mr. Morgan.
5. The parties to this Agreement agree that this Agreement shall have the full force and effect of an Order of the Commissioner. Mr. Morgan 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.
6. This Voluntary Settlement Agreement, when finalized, will be a public record and is not confidential. Any and 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 provides copies of voluntary settlement agreements to all companies that have appointed the licensee.

7. This Settlement Agreement shall become effective when signed by Mr. Morgan and the Department.

This the 25 day of July, 2012.

North Carolina Department of Insurance

  
Brandon A. Morgan  
License No. 0012753045

By:   
Angela Ford  
Senior Deputy Commissioner

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