

**NORTH CAROLINA DEPARTMENT OF INSURANCE  
RALEIGH, NORTH CAROLINA**

**STATE OF NORTH CAROLINA  
COUNTY OF WAKE**

**BEFORE THE COMMISSIONER OF  
OF INSURANCE**

**IN THE MATTER OF THE LICENSURE  
OF JEFFORY PROFFIT  
LICENSE NO. 0019033002**

**VOLUNTARY SETTLEMENT  
AGREEMENT**

**NOW COME**, Jeffory Proffit (hereinafter "Mr. Proffit") 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. Proffit holds active licenses as a Surety Bail Bondsman and Bail Bond Runner issued by the Department; and

**WHEREAS**, information received by the Department relating to bonds written on behalf of Defendant Demontre Dogan from the Mecklenburg County Clerk's Office and Mr. Proffit reflected violations of the North Carolina statutes and rules regulating bail bondsmen and the business of bail bonds on the part of Mr. Proffit; and

**WHEREAS**, NC Gen. Stat. § 58-71-80(a)(5) provides that the Commissioner may deny, place on probation, suspend, revoke or refuse to renew any license of a licensee 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; and

**WHEREAS**, NC Gen. Stat. § 58-71-80(a)(8) provides 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; or that the licensee is no longer in good faith carrying on the bail bond business; or that the licensee is guilty of rebating, or offering to rebate, or offering to divide the premiums received for the bond; and

**WHEREAS**, NC 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**, appearance bonds filed by Mr. Proffit for pre-trial release in Mecklenburg County (20CR200732, 20CR200733 and 20CR200734) were improperly completed; and

**WHEREAS**, NC 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. (1991, c. 644, s. 22.)

**WHEREAS**, Memorandums of Agreements executed by Mr. Proffit in connection with the three (3) cases in question were improperly completed; and

**WHEREAS**, 11 NCAC 13 .0512(h) provides that all indemnity agreements or other security agreements shall be considered as collateral security and shall be listed and described on the form provided by the Administrative Office of the Courts (Form AOC-CR-201 or its successor) entitled "Appearance Bond for Pretrial Release".

**WHEREAS**, Mr. Proffit did not include information regarding collateral (Indemnity Agreement) on the affidavits filed with the court in connection with the three cases cited above: and

**WHEREAS**, 11 NCAC 13 .0515 (h) provides that whenever a fee is received by a bail bondsman a receipt shall be furnished to the defendant. Copies of all receipts issued shall be kept by the bail bondsman. All receipts issued must: (1) be prenumbered by the printer and used and filed in consecutive numerical order, (2) show the name and address of the bail bondsman, (3) show the amount and date paid, (4) show the name of the person accepting payment, (5) show the total amount of the bond for which the fee is being charged and the name of the defendant.

**WHEREAS**, 11 NCAC 13.0512 (j) provides that all agreements and contracts with defendants or anyone on behalf of the defendant shall have a form number and the license number of the bail bondsman thereon and have been submitted to the Department for approval to the Department; and

**WHEREAS**, Mr. Proffit was found to have violated the provisions of 11 NCAC 13.0515 with respect to receipts issued or that were required to be issued, form numbers on the contracts, and license number of the bail bondsman, and the provisions of 11 NCAC 13.0512 (j) with respect to the requirement of prior approval of the forms by the Department before use by the bondsman; and

**WHEREAS**, the receipts Mr. Proffit issued were not in compliance with the provisions of 11 NCAC 13.0515 with respect to containing the information set forth therein; 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. Proffit's violations of N.C. Gen. Stat. §§ 58-71-140 (d) (1), (3) and (4), 11 NCAC 13.0512 (h) and (j), and 11 NCAC 13.0515, 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. Proffit's surety bondsman license and bail bond runner license could be revoked, suspended or not renewed pursuant to N.C. Gen Stat. §§ 58-71-80(a)(5) and (8); and

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

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

1. Immediately upon his signing of this document, Mr. Proffit shall pay a **civil penalty of \$250.00** 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. Proffit shall send the civil penalty by certified mail, return receipt requested, to the Department simultaneously with the return of this Agreement, signed by Mr. Proffit. The civil penalty and the signed Agreement must be received by the Department no later than **August 07, 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. Mr. Proffit shall obey all laws and regulations applicable to all licenses issued to him; and
3. Mr. Proffit enters into this Agreement freely and voluntarily and with knowledge of his right to have an administrative hearing on this matter. Mr. Proffit 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. Proffit, or in any other cases or complaints involving Mr. Proffit.
5. The parties to this Agreement agree that this Agreement shall have the full force and effect of an Order of the Commissioner. Mr. Proffit understands that N. C. Gen. Stat. § 58-71-80(a)(7) provides that a surety bondsman's license and bail bond runner'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, upon request, routinely provide a copy of the voluntary settlement agreement to all companies that have appointed the licensee.

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



By: Jerry Proffit  
License No. 0019033002



By: Marty Summer  
Senior Deputy Commissioner

Date: 7-29-2020

Date: 8/10/2020