

76105

MAR - 1 2011



PROCESSOR *DVB*

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

<b>STATE OF NORTH CAROLINA</b>	)	<b>BEFORE THE COMMISSIONER OF</b>
<b>COUNTY OF WAKE</b>	)	<b>INSURANCE</b>
	)	
	)	
<b>IN THE MATTER OF THE</b>	)	<b>VOLUNTARY SETTLEMENT</b>
<b>LICENSURE OF</b>	)	<b>AGREEMENT</b>
<b>DARRELL REID</b>	)	
<b>LICENSE NO. 10016760</b>	)	

**NOW COME** Darrell Reid (hereinafter "Reid") 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**, Reid holds an active license as a surety bail bondsman issued by the Department; and

**WHEREAS**, N. C. Gen. Stat. § 58-71-80(a)(3) provides that the Commissioner may deny, suspend, revoke, or refuse to renew any license under Article 71 of the General Statutes of North Carolina for material misstatement, misrepresentation or fraud in obtaining the license; and

**WHEREAS**, Reid in his original application for license received by the Department on July 26, 2007 misrepresented his criminal record by answering "No" to the question that asks: "Have you ever been convicted, or are you currently charged with, committing a crime, whether or not adjudication was withheld?" ; and failed to answer the question: "Have you lived outside the State of NC since the age of 18?"; and

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

**WHEREAS**, N.C. Gen. Stat. § 58-71-95(5) prohibits a bail bondsman from accepting anything of value except the premium and collateral security from a principal or from anyone on behalf of a principal; and

**WHEREAS**, N.C. Gen. Stat. § 58-71-80(a)(10) provides that the Commissioner may

deny, suspend, revoke or refuse to renew any license under Article 71 of the General Statutes of North Carolina for charging or receiving, as premium or compensation for the making of any deposit or bail bond, any sum in excess of that permitted by that Article; and

**WHEREAS**, Reid received \$600.00 from Mr. Nicholas Brown, purportedly to assist Mr. Brown in finding a bondsman to post his bail in violation of N. C. Gen. Stat. §58-71-80(a)(4), 58-71-80(a)10 and 58-71-95(5); and

**WHEREAS**, N.C. Gen. Stat. § 58-71-100(a) provides the requirements for the issuance of bail bond receipts; and

**WHEREAS**, Reid's receipt for the bond he purportedly placed for Mr. Brown was not in compliance with the provisions of N.C. Gen. Stat. § 58-71-100(a); 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**, Reid admits to the violations set out herein; and

**WHEREAS**, Reid's violations of N.C. Gen. Stat. § 58-71-80(a)(3), 58-71-80(a)(4), 58-71-80(a)(10), 58-71-100(a) and 58-71-95(5) 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 Reid's surety bondsman license could be revoked, suspended or not renewed pursuant to N.C. Gen Stat. § 58-71-80(a)(7); and

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

1. Immediately upon his signing of this document, Reid shall pay a **civil penalty of \$3000.00** to the Department. The form of payment shall be in a certified check, cashiers 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." Reid shall send the civil penalty by certified mail, return receipt requested, to the Department simultaneously with the return of this Agreement, signed by Reid. The civil penalty and the signed Agreement must be received by the Department no later than **February 28, 2011**. 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. Reid shall obey all laws and regulations applicable to all licenses issued to him.

3. Reid enters into this Agreement freely and voluntarily and with knowledge of his right to have an administrative hearing on this matter. Reid 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 Reid, or in any other cases or complaints involving Reid.

5. The parties to this Agreement agree that this Agreement shall have the full force and effect of an Order of the Commissioner. Reid 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 Griffin and the Department.

This the 28 day of FEB, 2011.

By:   
Darrell Reid  
License No. 10016760

North Carolina Department of Insurance

By:  3-2-11  
Angela Ford  
Senior Deputy Commissioner