



**NORTH CAROLINA AGENT SERVICES DIVISION OF INSURANCE
RALEIGH, NORTH CAROLINA**

**STATE OF NORTH CAROLINA
COUNTY OF WAKE**

**BEFORE THE COMMISSIONER
OF INSURANCE**



**IN THE MATTER OF
THE LICENSURE OF
TIMOTHY BONNER SAWYER
LICENSE NO. 0017479264**

**VOLUNTARY SETTLEMENT
AGREEMENT**

NOW COME, Timothy Bonner Sawyer (hereinafter "Mr. Sawyer") and the Agent Services Division of the N.C. Department of Insurance (hereinafter "Agent Services Division"), and hereby voluntarily and knowingly enter into the following Voluntary Settlement Agreement (hereinafter "this Agreement").

WHEREAS, the Agent Services Division has the authority and responsibility for enforcement of the insurance laws of this State, and for regulating and licensing insurance agents; and

WHEREAS, Mr. Sawyer currently holds a resident producer's license with authority for Property, Casualty, Life and Accident and Health or Sickness lines of insurance, Variable Life and Variable Annuity contracts and a Medicare Supplement Long-Term Care license issued by the Agent Services Division; and

WHEREAS, Agent Services Division investigators conducted a compliance check on the Timothy Sawyer State Farm Agency in Greenville, NC, owned by Mr. Sawyer, on August 02, 2021; due to violations discovered during the compliance check, the review was modified to a target examination; and

WHEREAS, N.C. Gen. Stat. § 58-33-46 (a) (4) provides that the Commissioner may place on probation, suspend, revoke, or refuse to renew any license issued under this Article, in accordance with the provisions of Article 3A of Chapter 150B of the General Statutes for improperly withholding, misappropriating, or converting any monies or properties received in the course of doing insurance business; and

WHEREAS, 11 NCAC 04 .0429 COMMINGLING provides that the accounting records maintained by agents, brokers, and limited representatives shall be separate and apart from any other business records and demonstrate at all times that collected funds due to insurers and return premiums due to policyholders are available at all times.

WHEREAS, N.C. Gen. Stat. § 58-33-46 (a) (8), provides that the Commissioner may place on probation, suspend, revoke, or refuse to renew any license issued under this Article, in accordance with the provisions of Article 3A of Chapter 150B of the General Statutes among other things, for demonstrating incompetence, untrustworthiness, or financial irresponsibility in the conduct of business in this State or elsewhere; and

WHEREAS, Agent Services Division investigators reviewed the agency's financial records, the State Farm premium account, and the NC Joint Underwriting Association (NCJUA) premium account, for the period of October 2020 through June 2021; no apparent violations of NC Statutes and Regulations were observed in the NCJUA account; and

WHEREAS, the investigators observed two (2) negative balances in the State Farm premium account; a negative balance of \$977.81 on May 12, 2021 and another negative balance in the amount of \$887.18 on May 13, 2021; the account received one (1) \$36.00 overdraft charge on May 12, 2021, purportedly as a result of premium funds being incorrectly deposited in the NCJUA account; and

WHEREAS, Mr. Sawyer transferred monies from two other accounts to bring the State Farm premium account back in good standing; and

WHEREAS, it appears that Mr. Sawyer's actions violated the prohibitions against commingling and misappropriation of premium in N.C. Gen. Stats. § 58-33-46 (a)(4) and 11 NCAC 04 .0429, and reflected financial irresponsibility on the part of Mr. Sawyer as set forth in N.C. Gen. Stat. § 58-33-46 (a) (8); and

WHEREAS, N. C. Gen. Stat. § 58-33-46(a)(2) provides that the Commissioner may place on probation, suspend, revoke, or refuse to issue or renew any license issued under Article 58 of the General Statutes of North Carolina for violating any insurance law of this or any other state, violating any administrative rule, subpoena, or order of the Commissioner or of another state's regulator; and

WHEREAS, N. C. Gen. Stat. § 58-2-70 provides that whenever the Commissioner has reason to believe that any person has violated any law that would subject the license or certification of that person to suspension or revocation, the Commissioner is authorized, in lieu of a hearing, to negotiate a mutually acceptable agreement as to the status of the person's license or certificate or to any civil penalty or restitution; and

WHEREAS, Mr. Sawyer has agreed to settle, compromise, and resolve the matters referenced in this Agreement on behalf of himself, and the Agent Services Division has agreed not to pursue additional civil ramifications, including penalties, sanctions, remedies, or restitution based on these matters against Mr. Sawyer; and

WHEREAS, the parties to this Agreement mutually wish to resolve this matter by consent before the Agent Services Division initiates an administrative hearing and have reached a mutually agreeable resolution of this matter as set out in this Agreement.

NOW, THEREFORE, in exchange for the consideration and promises and agreements set out herein, Mr. Sawyer and the Agent Services Division hereby agree to the following:

1. Immediately upon the signing of this Agreement, Mr. Sawyer shall pay a civil penalty of **\$250.00** to the Agent Services Division. The form of payment shall be by 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 "N.C. Department of Insurance." Mr. Sawyer shall remit the civil penalty by certified mail, return receipt requested, to the Agent Services Division along with a copy of this signed Agreement. The civil penalty and the signed Agreement must be received by the Agent Services Division no later than **November 29, 2021**. 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 public schools.

2. This Agreement does not in any way affect the Agent Services Division's disciplinary power in any future examination of Mr. Sawyer or in any other complaints involving Mr. Sawyer.
3. Mr. Sawyer enters into this Agreement, on behalf of himself, freely and voluntarily and with the knowledge of his right to have an administrative hearing on this matter. Mr. Sawyer understands he may consult with an attorney prior to entering into this Agreement.
4. The parties to this Agreement agree that this Agreement shall have the full force and effect of an Order of the Commissioner. Mr. Sawyer understands that N.C.G.S. § 58-33-46(a)(2) provides that a producer's license may be revoked for violating an Order of the Commissioner.
5. This Agreement, when finalized, will be a public record and will not be held confidential by the Agent Services Division. Following the execution of this Agreement, all licenses issued by the Agent Services Division to Mr. Sawyer shall reflect that Regulatory Action has been taken against him. The Agent Services Division 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. The Agent Services Division, upon request, routinely provides a copy of the voluntary settlement agreement to all companies that have appointed the licensee.
6. The parties have read and understand this Agreement and agree to abide by the terms and conditions stated herein.
7. Be aware that if a state or federal regulator other than the Agent Services Division has issued an occupational or professional license to you, that regulator may require you to report this administrative action to it. The Agent Services Division cannot give you legal advice as to the specific reporting requirements of other state or federal regulators.

**N. C. Department of Insurance
Agent Services Division**


By: **Timothy Bonner Sawyer**
License No. 0017479264


By: **Angela Hatchell**
Deputy Commissioner

Date: 11/11/2021

Date: 11/22/2021