

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

**STATE OF NORTH CAROLINA
COUNTY OF WAKE**

**IN THE MATTER OF THE LICENSURE OF
DONALD KIM SETLIFF
LICENSE NO. 0016170497**

BEFORE THE COMMISSIONER OF INSURANCE

VOLUNTARY SETTLEMENT AGREEMENT

NOW COME, Donald Kim Setliff (hereinafter "Mr. Setliff") 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. Setliff holds an active license as a surety bail bondsman issued by the Department; and

WHEREAS, N.C. Gen. Stat. § 58-71-20 provides that at any time before there has been a breach of the undertaking in any type of bail or fine and cash bond the surety may surrender the defendant to the sheriff of the county in which the defendant is bonded to appear or to the sheriff where the defendant was bonded; in such case the full premium shall be returned within 72 hours after the surrender; and

WHEREAS, N.C. Gen. Stat. § 58-71-20(2) provides that the defendant may be surrendered without a return of premium for the bond if the defendant changes his or her address without notifying the surety before the address change; and

WHEREAS, a Department investigation revealed that Mr. Setliff wrote bonds on Amy Lynn Blankenship (\$20,000.00 on February 27, 2013) and Brandon Lebeouf (\$2,000.00 on February 27, 2013), the premiums for which were paid by Ms. Blankenship's mother, Lovina Coffin; and

WHEREAS, the premium for the bond on Amy Blankenship was \$2,000.00 and the initial payment of \$900.00 was paid on February 27, 2013 with no Memorandum of Agreement being executed as required by N.C. Gen. Stat. § ~~58-71-167~~; and

WHEREAS, further payments in the amounts of \$225.00 and \$500.00 were paid to Mr. Setliff on Ms. Blankenship's bond for a total of \$1625.00; and

WHEREAS, Mr. Setliff erroneously revoked the bond written on Ms. Blankenship purportedly because in his opinion Ms. Blankenship had violated the provisions of N.C. Gen. Stat. § 58-71-20(2) by changing her address without notifying the surety before the address change; and

WHEREAS, Mr. Setliff alleged that the premium on Ms. Blankenship's bond was thereby forfeited pursuant to the provisions of N.C. Gen. Stat. §58-71-20; and

WHEREAS, an overpayment of \$240.00 was made on the bond written for Mr. Lebeouf; and

WHEREAS, a conference was held with representatives of the Department of Insurance and Mr. Setliff wherein Mr. Setliff agreed to refund the \$1625.00 paid on Ms. Blankenship's bond and the \$240.00 overpayment made on Mr. Lebeouf's bond and that not enough documentation was present to support the fact that Ms. Blankenship had physically moved without notifying him; 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. Setliff admits to the violations set out herein; and

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

1. Immediately upon his signing of this document, Mr. Setliff 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. Setliff shall send the civil penalty by certified mail, return receipt requested, to the Department simultaneously with the return of this Agreement, signed by Mr. Setliff. The civil penalty and the signed Agreement must be received by the Department no later than **February 27, 2014**. 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. Setliff shall obey all laws and regulations applicable to all licenses issued to him.

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

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

5th March
This the 25 day of FEB., 2014.



Donald Kim Setliff
License No. 0016170497
North Carolina Department of Insurance

By 

Angela Ford
Senior Deputy Commissioner

35-14

