

RECEIVED  
SEP 26 2011  
UTAH STATE  
INSURANCE DEPT.

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BEFORE THE INSURANCE COMMISSIONER  
OF THE STATE OF UTAH

<p><b>COMPLAINANT:</b></p> <p>UTAH INSURANCE DEPARTMENT</p> <p><b>RESPONDENT:</b></p> <p>STEVE'S BAIL BONDS License No. 97877</p> <p>CLYDE STEVENS License No. 110743</p> <p>PO Box 296 Farmington, UT 84025</p>	<p><b>STIPULATION AND ORDER</b></p> <p>Docket No. 2011-207 BB</p> <p>Enf. Case No. 2952</p>
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**STIPULATION**

1. Respondent Steve's Bail Bonds is a bail bond surety company licensed to do business in the State of Utah, holding license number 97877. Respondent Clyde Stevens is the owner of Respondent Steve's Bail Bonds and is a licensed bail bond producer in the State of Utah, holding license number 110743.
2. Respondents stipulate with the Complainant, Utah Insurance Department, as

follows:

- a. If a hearing were held, witnesses called by the Complainant could offer and introduce evidence that would support the Findings of Fact herein;
- b. Respondents admit the Commissioner's authority to make the Findings of Fact and Conclusions made herein;
- c. Respondents stipulate to the summary entry of the Order herein which shall be in lieu of other administrative proceedings by Complainant in this matter; and
- d. Respondents and Complainant have negotiated the terms of the Order entered herein and Respondents agree to its entry and further agree to be bound by all its terms.

3. Respondents are aware of their right to a hearing at which they may be represented by counsel, present evidence and cross-examine witnesses. Respondents have irrevocably waived their right to such hearing and to any appeal related thereto.

4. Respondents admit the jurisdiction of the State of Utah Insurance Commissioner as to all matters herein.

5. Respondents are acting herein free from any duress or coercion of any kind or nature, having been advised fully as to their rights set forth herein.

6. Respondents acknowledge that the issuance of this Order by the Commissioner is


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solely for purpose of disposition of the matter entitled herein.

DATED this 23 day of SEPTEMBER, 2011.

  
\_\_\_\_\_  
STEVE'S BAIL BONDS  
Clyde Stevens, Owner

  
\_\_\_\_\_  
CLYDE STEVENS

  
\_\_\_\_\_  
UTAH INSURANCE DEPARTMENT  
M. Gale Lemmon  
Assistant Attorney General

Based upon the foregoing Stipulation and information in the file, the Presiding Officer makes the following Findings of Fact:

**FINDINGS OF FACT**

1. During an audit of Respondent Steve's Bail Bonds on June 1, 2011, the examiner discovered the Agency was out of compliance in the following areas:

A. the company failed to maintain all records of bail bonds executed and countersigned by a bail bond producer appointed by the bail bond surety company at the main offices of the bail bond surety company;

B. the company was using outdated forms, the last form filing by the agency was submitted in 2006; and

C. the auditor could not verify that the Respondents were complying with the rule that requires the bail bond premium to be at least 10% of the face amount of the bond, because one of the company's agents, Todd Harris, was remitting only 5% of the face amount of the bond to the Steve's Bail Bonds.

2. Respondents failed to maintain all records of bail bonds executed and countersigned by a bail bond producer appointed by the bail bond surety company at the main offices of the bail bond surety company.

3. Respondents were using outdated forms; the audited forms did not incorporate current Department rule changes.

4. The audit finding were sent to Respondents on June 22, 2011. Respondent Stevens responded and corrected the violations immediately.

5. On July 7, 2011, Respondents agreed to an administrative forfeiture of \$3,000 and probation for six month with a stay of \$1,500 pending completion of all department recommendations and successful completion of six months probation.

Based upon the foregoing Stipulation and Findings of Fact, the Presiding Officer enters the following Conclusions of Law:

**CONCLUSIONS OF LAW**

1. Utah Code Ann. § 31A-35-602(2) requires the bail bond surety company to keep records at the place of business (location) on record with the Department.
2. Utah Code Ann. § 31A-35-604(3) addresses records and requires a bail bond surety company to maintain for three years after receipt all records of any bail bond executed or countersigned by a bail bond producer appointed by the bail bond surety company.
3. Utah Code Ann. § 31A-35-607 requires a sample copy of the forms used by the bail bond surety to be filed with the Commissioner before use and if the form is changed.
4. Utah Insurance Department Rule R590-196-4 sets the minimum fee at not less than 10% of the bond amount.
5. Utah Insurance Department Rule R590-196-6 contains the disclosure form that shall be used by the bail bond surety and its agents. This form reflects the minimum 10% bond premium.
6. The audit of Respondent Steve's Bail Bonds revealed facts that constituted violations of the above provisions.
7. The Respondents have agreed to an administrative forfeiture in the amount of \$3,000 with the amount of \$1,500 to be stayed pending the successful completion of 6 months probation imposed herein.

Based upon the foregoing Stipulation, Findings of Fact and Conclusions of Law, the

Presiding Officer herewith enters the following Order:

ORDER

IT IS HEREBY ORDERED:

1. Respondents Steve's Bail Bonds and Clyde Stevens are hereby jointly and severally assessed an administrative forfeiture in the amount of \$3,000.00. The sum of \$1,500.00 is stayed pending the successful completion of the probation imposed herein.

2. The licenses of the Respondents are placed on probation for a period of 6 months beginning with the date of this Order. The terms of the probation are as follows:

a. Respondents shall pay the portion of the forfeiture assessed herein that has not been stayed within 30 days of the date of this Order;

b. Respondents shall file new bail bond forms with the department, incorporating the current requirements for bail bond forms, within 30 days of the date of this Order;

c. Respondents shall provide a valid email address to the Utah Insurance Department Producer Licensing Division within 30 days of the date of this Order;

d. Respondents shall assure that all bail bond records are maintained at the address on file with the Department;

e. Respondents shall assure that the entire premium charged for a bail bond is sent to the bail bond surety company without prior deduction by its agents;

f. Respondents shall submit to random audits to assure compliance with the terms of this Order; and

f. Respondents shall have no further violations of the Utah Insurance Code or Rules or of any Order of the Commissioner.

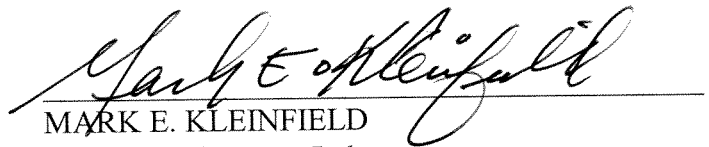
**NOTIFICATION**

You are hereby notified that a failure to obey an Order of the Commissioner may subject you to further penalties, including forfeiture of up to \$5,000 per violation for an organization and of up to \$2,500 per violation for an individual licensee, and the suspension or revocation of your license and the filing of an action in district court, which may impose forfeitures of up to \$10,000 per day for continued violation.

You are further notified that other jurisdictions in which you may be licensed may require that you report this action to them.

DATED this 29<sup>th</sup> day of September, 2011.

NEAL T. GOOCH  
Insurance Commissioner



MARK E. KLEINFELD  
Administrative Law Judge  
Utah Insurance Department  
State Office Building, Room 3110  
Salt Lake City, Utah 84114  
Telephone: (801) 538-3800

CERTIFICATE OF MAILING

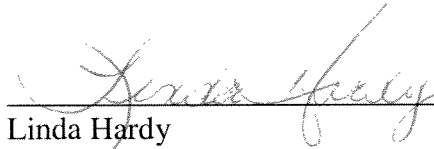
I do hereby certify that on this date I mailed, by regular mail, postage prepaid a true and correct copy of the attached:

STIPULATION  
&  
ORDER

To the following:

Steve's Bail Bonds  
Clyde Stevens  
P.O. Box 296  
Farmington, UT 84025

DATED this 29<sup>th</sup> day September, 2011



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Linda Hardy  
Market Conduct  
Utah Department of Insurance  
State Office Building, Room 3110  
Salt Lake City, UT 84114-6901

**UTAH  
Invoice**

Printed Date: September 26, 2011

Invoice Date: September 26, 2011  
Balance Due: \$1,500.00  
Due Date: October 01, 2011  
Invoice ID: 530482

STEVES BAIL BONDS  
PO BOX 296  
FARMINGTON UT 84025-0296

<b>Item Description</b>	<b>Amount</b>
Monetary Penalty Agency	\$1,500.00
<b>Original Amount Due</b>	<u>\$1,500.00</u>
<b>Payments Received</b>	
	<u><b>Balance Due</b></u>

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**UTAH  
Invoice**

Printed Date: September 26, 2011

Invoice Date: September 26, 2011  
Balance Due: \$1,500.00  
Due Date: October 01, 2011  
Invoice ID: 530482

Make checks payable to: Utah Insurance Department

Send payment to:

Utah Insurance Department  
3110 State Office Building  
Salt Lake City, UT 84114-6901