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UTAH STATE
INSURANCE DEPT.

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BEFORE THE INSURANCE COMMISSIONER
OF THE STATE OF UTAH

COMPLAINANT:

UTAH INSURANCE DEPARTMENT

RESPONDENTS:

DEWEY'S BAIL BONDS
License No. 97867

LOUIS JOSEPH SANONE
License No. 108964

LOUIS DOMINIC SANONE
License No. 108965



STIPULATION AND ORDER

Docket No. 2011-223 BB

Enf. Case No. 2922

STIPULATION

1. Respondents, Dewey's Bail Bonds is a licensed bail bond surety company in the State of Utah, holding License No. 97867. Respondents Louis Joseph Sanone and Louis Dominic Sanone, License Nos. 108964 and 108965 respectively, are licensed bail bond

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producers in the State of Utah and are the owners of Respondent Dewey's Bail Bonds.

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 Findings of Fact and Conclusions made therefrom;
- 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 acknowledges that the issuance of this Order by the Commissioner is

solely for purpose of disposition of the matter entitled herein.

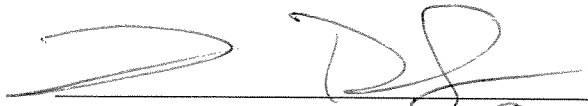
DATED this 18 day of OCT, 2011.



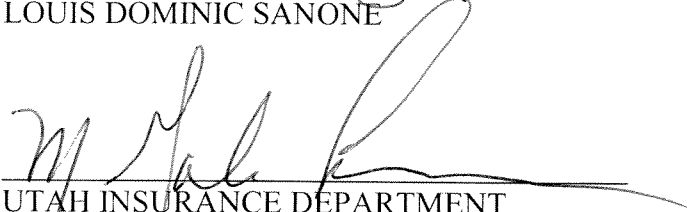
DEWEY'S BAIL BONDS
Louis Joseph Sanone, Owner



LOUIS JOSEPH SANONE



LOUIS DOMINIC SANONE



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. On March 14, 2011, Respondent Dominic Sanone was notified of an audit of Dewey's Bail Bonds scheduled for April 20, 2011.
2. On March 23, 2011, Respondent Dominic Sanone contacted the market conduct examiner to self report a trust account violation. Respondents Dominic Sanone and Louis Sanone admitted that they failed to establish and maintain a "trust account," that collateral monies were co-mingled with other funds. They did explain, however, that the collateral money was never used and that they always had an accurate account of which funds were collateral and which were tax funds.
3. On April 20, 2011, a Market Conduct examiner conducted an audit of Respondent, Dewey's Bail Bonds. It was confirmed that prior to April 20th Respondents were not handling funds held in their fiduciary capacity properly. The agency did not have a Trust Account established to hold the collateral received to secure the bail bonds. Collateral monies received by Respondent Agency were deposited into a high-yield savings account and co-mingled with other funds the Owners had set aside for taxes.
4. During the audit, it was also confirmed that the trust account violations had been corrected.
5. Respondents agreed to a joint administrative forfeiture in the amount of \$5,000 and probation for period of 18 months.

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

CONCLUSIONS OF LAW

1. In failing to maintain collateral funds held in a fiduciary capacity in a trust account and in commingling trust funds with operating funds of Respondent Dewey's Bail Bonds, Respondents violated Utah Code Ann. §§ 31A-35-603(1) & (2), and 31A-23a-409, and Utah Admin. Code Rule R590-170-4 & -5.

2. A joint and several administrative forfeiture in the amount of \$5,000 and probation for a period of 18 months is appropriate under the circumstances.

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 Dewey's Bail Bonds, Louis Joseph Sanone and Louis Dominic Sanone are hereby jointly and severally assessed an administrative forfeiture in the amount of \$5,000 to be paid to the Utah Department of Insurance within 30 days of the issuance of this Order.

2. Respondents' licenses are placed on probation for the period of 18 months commencing with the date of this Order. The terms of probation are that the Respondents shall pay the forfeiture assessed herein in a timely manner and shall have no further violations of the Insurance Code, Department Rules, or any Order of the Commissioner.

NOTIFICATION

Respondents are hereby notified that failure to abide by the terms of this Order may subject you to further penalties, including additional forfeitures of up to \$5,000 per violation and the suspension or revocation of your license, and the filing of an action to enforce this Order in the District Court which may impose penalties 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 21st day of October, 2011.

NEAL T. GOOCH
Insurance Commissioner



MARK E. KLEINFELD
Administrative Law Judge
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