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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:

SUN SURETY BAIL BONDS


License No. 97853

STIPULATION AND ORDER

Docket No. 2013-016 PC

Enf. Case No. 3255

STIPULATION

1. Respondent Sun Surety Bail Bonds ("Agency") is a licensed bail bond producer operating in the State of Utah and holds License No. 97853.
2. Respondent stipulates 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. Respondent admits the Findings of Fact and Conclusions made therefrom;

- c. Respondent stipulates to the summary entry of the Order herein which shall be in lieu of other administrative proceedings by Complainant in this matter; and
- d. Respondent and Complainant have negotiated the terms of the Order entered herein and Respondent agrees to its entry and further agrees to be bound by all its terms.

3. Respondent is aware of its right to a hearing at which it may be represented by counsel, present evidence and cross-examine witnesses. Respondent has irrevocably waived its right to such hearing and to any appeal related thereto.

4. Respondent admits the jurisdiction of the State of Utah Insurance Commissioner as to all matters herein.

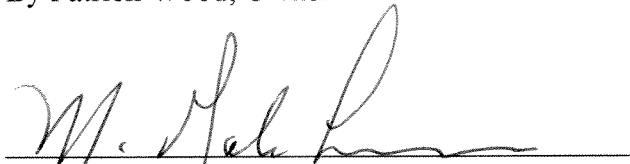
5. Respondent is acting herein free from any duress or coercion of any kind or nature, having been advised fully as to its rights set forth herein.

6. Respondent acknowledges that the issuance of this Order by the Commissioner is solely for purpose of disposition of the matter entitled herein.

DATED this 18th day of FEBRUARY, 2013.



SUN SURETY BAIL BONDS
By Patrick Wood, Owner



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 or about March 28, 2012, Patrick Wood, Respondent's owner was notified of an audit scheduled for May 8, 2012.
2. On May 14, 2012, the market conduct examiner received the requested information from Respondent.
3. During a review of the information provided by Respondent, it was discovered that the agency did not properly maintain its records at their place of business.
4. It was also discovered that the agency had not been using the same disclosure form that it had filed with the Department. The form did not show the correct bond premium. Respondent's owner stated that the form discrepancy was due to an error with the printer. The agency corrected the form prior to the audit and provided a copy of the current form to the market conduct examiner.
5. Respondent is in the process of having all records moved to and kept at its place of business.
6. Respondent was cooperative during the audit and has taken steps to correct the issues found.

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 states in part as follows:

(2) The bail bond surety company shall keep at the place of business described in Subsection (1) (a) the records required under Section 31A-35-604.

2. Utah Code Ann. § 31A-35-604 states:

(1) A bail bond producer shall maintain at the bail bond producer's place of business:

(a) records of all bail bonds the bail bond producer executes or countersigns, so the public may obtain all necessary information concerning those bail bonds for at least one year after the liability of the bail bond surety has been terminated: and

(b) any additional information the commissioner may reasonably require by rule.

(2) Records required to be maintained under Subsection (1) shall be available for examination by the commissioner or the commissioner's representatives during regular business hours.

(3) The bail bond surety company shall maintain for three years after receipt all records on 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 addresses filing of forms.

(1) In accordance with Section 31A-21-201, each bail bond surety shall file with the commissioner a sample of each form the bail bond surety uses in the bail bond surety's bail bond surety business.

(2) A form described in Subsection (1) shall be filed:

(a) before the form is first used by the bail bond surety; and

(b) if the form is changed after it is filed under Subsection (2) (a).

(3)(a) The department shall maintain and make available for public inspection a file regarding each bail bond surety.

(b) The forms required to be filed under this section shall be maintained in the submitting bail bond surety's file.

4. Utah Admin. Code Rule 590-196-6 sets forth the disclosure language to be used on the agency's disclosure forms.

5. The Respondent's use of a disclosure form prior to the audit which was not the current form on file with the Department was a violation of Utah Admin. Code Rule 590-196-6.

6 Respondent's failure to keep and maintain its business records at its place of business is a violation of Sections 31A-35-602, 604, and 607.

7. An administrative forfeiture in the amount of \$2,500.00 with the amount of \$1,000.00 stayed pending successful completion of 12 months probation.

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. Respondent Sun Surety Bail Bonds is assessed an administrative forfeiture in the amount of \$2,500.00. The amount of \$1,000.00 of the forfeiture is stayed pending successful completion of the probation imposed herein.

2. Respondent's license is placed on probation for a period of 12 months beginning with the date of this Order. The terms of probation are as follows:

a. Respondent shall pay the portion of the forfeiture not stayed, in the amount of \$1,500.00 within 30 days of the date of this Order;

b. Respondent shall within 30 day of the date of this Order provide evidence that its records are maintained at its current place of business;

c. during the period of probation, Respondent shall submit to random audits and shall have no further violations of the Utah Insurance Code or Rules or of any order of the commissioner.

NOTIFICATION

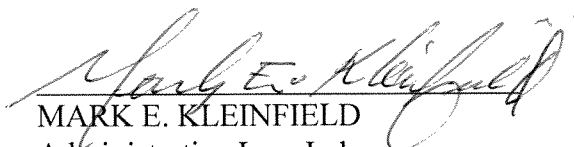
Respondent is hereby notified that failure to abide by the terms of this Order may subject you to further penalties, including additional forfeitures of up to \$5,000.00 per violation and the

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 \$10,000.00 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 26th day of February, 2013.

TODD E. KISER, Commissioner
Utah Insurance Department


MARK E. KLEINFELD
Administrative Law Judge
Utah Insurance Department