

STATE OF ARIZONA

JUL 10 2007

DEPARTMENT OF INSURANCE

DEPT OF INSURANCE
BY 

In the Matter of:)
)
DONALD EUGENE ATHA and)
DON ATHA BAIL BONDS LLC dba)
FITZGERALD BAIL BONDS,)
DON'S CAMP VERDE BAIL BONDS,)
NORTHERN ARIZONA BAIL BONDS, and)
VERDE VALLEY BAIL BONDS)
)
Respondents.)
)

No. 07A-116-INS

CONSENT ORDER

The State of Arizona Department of Insurance ("Department") has received evidence that Donald Eugene Atha and Don Atha Bail Bonds LLC dba Fitzgerald Bail Bonds, Don's Camp Verde Bail Bonds, Northern Arizona Bail Bonds and Verde Valley Bail Bonds ("Respondents") violated provisions of Title 20, Arizona Revised Statutes. Respondents wish to resolve this matter without the commencement of formal proceedings, and admit the following Findings of Fact are true and consent to entry of the following Conclusions of Law and Order.

FINDINGS OF FACT

1. Donald Eugene Atha ("Atha") is, and was at all material times licensed as a bail bond agent, Arizona license number 155672, which license expires January 31, 2009.
2. Atha's address of record with the Department is: 607 Pheasant Run Circle, Camp Verde, AZ 86322 (business and residence).
3. Don Atha Bail Bonds, LLC ("Don Atha Bail") is, and was at all material times, licensed as a bail bond agent, Arizona license number 881006, which license expires December 31, 2010. Atha is the Owner/Manager of Don Atha Bail. Atha has registered several assumed business names for Don Atha Bail with the Department: Fitzgerald Bail

1 Bonds, Don's Camp Verde Bail Bonds, Northern Arizona Bail Bonds and Verde Valley Bail
2 Bonds. Don Atha Bail's addresses of record with the Department are: 607 Pheasant Run
3 Circle, Camp Verde, AZ 86322 (business) and P.O. Box 4138, Camp Verde, AZ 86322
4 (mailing).

5 4. Between August 6, 2005 and May 27, 2007, Respondents misrepresented bail
6 bond premium prices to clients by charging excess premium on 465 bonds totaling
7 \$62,156.34. Respondents converted the excess premium for their own use.

8 5. Between August 6, 2005 and May 27, 2007, Respondents waived premium
9 and/or collateral payments on a number of bail bond transactions.

10 6. On June 6, 2007, Department investigators served a subpoena on Respondents
11 requiring immediate production of their daily bond register and files on 17 specifically named
12 clients. Respondents did not keep a daily bond register and was unable to produce one. To
13 date, Respondents have failed to locate and produce records on two of the clients specifically
14 named in the subpoena.

15 **CONCLUSIONS OF LAW**

16 1. The Director has jurisdiction over this matter.

17 2. Respondents' conduct, as alleged above, constitutes violating any provision of
18 Title 20 or any rule, subpoena or order of the Director, within the meaning of A.R.S. §20-
19 295(A)(2).

20 3. Respondents' conduct as described above constitutes the improper withholding,
21 misappropriation or conversion of any monies or properties received in the course of doing
22 insurance business within the meaning of A.R.S. §20-295(A)(4).
23

1 4. Respondent Atha's conduct as described above constitutes using fraudulent,
2 coercive or dishonest practices, or demonstrating incompetence, untrustworthiness or financial
3 irresponsibility in the conduct of business in this state or elsewhere within the meaning of
4 A.R.S. §20-295(A)(8).

5 5. Respondents' conduct, as alleged above, constitutes a failure to maintain a daily
6 bond register and to keep at the agent's place of business the usual and customary records
7 pertaining to transactions made under the license, within the meaning of A.R.S. §20-340.01(D)
8 & (F).

9 6. Respondents' conduct, as alleged above, constitutes accepting anything of
10 value from a principal or on his or her behalf except the premium and expenses or collateral in
11 an amount reasonable in relation to the amount of the bond, within the meaning of A.R.S. §20-
12 340.03(A)(6).

13 7. Respondents' conduct, as alleged above, constitutes, directly or indirectly
14 charging or collecting a valuable consideration from any person in any bail transaction or in
15 connection with any bail transaction for other than to pay the premium at the rates that are
16 established by the surety insurer and that are approved by the director, to provide collateral, or
17 to be reimbursed for actual and reasonable expenses incurred in connection with the
18 individual bail transaction, within the meaning of A.R.S. §20-340.03(D).

19 8. Grounds exist for the Director to suspend, revoke, or refuse to renew
20 Respondents' bail bonds license, impose a civil penalty and/or order restitution pursuant to
21 A.R.S. §§20-295(A), (B) and (F).
22
23

1 **ORDER**

2 IT IS HEREBY ORDERED THAT:

3 1. The bail bond agent's licenses held by Respondents are revoked effective July
4 18, 2007.

5
6 DATED this 10th day of July 2007.

7 
8 _____
9 CHRISTINA URIAS
10 Director of Insurance

11 **CONSENT TO ORDER**

12 1. Respondents have reviewed the foregoing Findings of Fact, Conclusions of Law
13 and Order.

14 2. Respondents admit the jurisdiction of the Director of Insurance, State of Arizona,
15 and admit the foregoing Findings of Fact and consent to the entry of the foregoing
16 Conclusions of Law and Order.

17 3. Respondents are aware of their right to notice and a hearing at which they may
18 be represented by counsel, present evidence and examine witnesses. Respondents
19 irrevocably waive their right to such notice and hearing and to any court appeals relating to this
20 Consent Order.

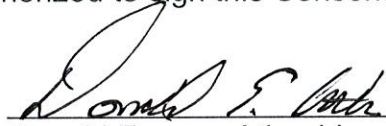
21 4. Respondents attest that no promise of any kind or nature whatsoever, except as
22 expressly contained in this Consent Order, was made to them to induce them to enter into this
23 Consent Order and that they have entered into this Consent Order voluntarily.

5. Respondents acknowledge that the acceptance of this Consent Order by the
Director is solely to settle this matter against them and does not preclude any other agency,

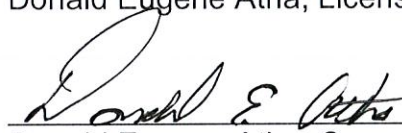
1 officer, or subdivision of this state from instituting civil or criminal proceedings as may be
2 appropriate now or in the future nor does it preclude the Department from instituting
3 proceedings not related to this matter as may be appropriate now or in the future.

4 6. Donald Eugene Atha is owner and operator of Don Atha Bail Bonds LLC dba
5 Fitzgerald Bail Bonds, Don's Camp Verde Bail Bonds, Northern Arizona Bail Bonds, and Verde
6 Valley Bail Bonds and as such is authorized to sign this Consent Order on its behalf.

7 July 6, 2007
8 Date


Donald Eugene Atha, License Number 155672

9 July 6, 2007
10 Date


Donald Eugene Atha, Owner and Operator

11
12
13 COPIES of the foregoing mailed/delivered
this 10th day of July 2007, to:

14 Donald Eugene Atha
15 Don Atha Bail Bonds LLC
16 (dba) Fitzgerald Bail Bonds
17 Don's Camp Verde Bail Bonds
18 Northern Arizona Bail Bonds
19 Verde Valley Bail Bonds
20 607 Pheasant Run Circle
21 Camp Verde, AZ 86322
22 Respondent

23 Don Atha Bail Bonds, LLC
(dba) Fitzgerald Bail Bonds
Don's Camp Verde Bail Bonds
Northern Arizona Bail Bonds
Verde Valley Bail Bonds
P.O. Box 4138
Camp Verde, AZ 86322
Respondent

1 Indiana Lumbermens Mutual Insurance Company
P O Box 68932
2 Indianapolis, IN 46268
(Surety)

3 Underwriters Surety Inc.
4 William Carmichael
3905 Vincennes Rd., #200
5 Indianapolis, IN 46268
(General Agent)

6 Mary E. Kosinski, Exec. Assistant for Reg. Affairs
7 Catherine M. O'Neil, Consumer Legal Affairs Officer
Terry Cooper, Assistant Director
8 Steve Fromholtz, Licensing Supervisor
Arnold Sniegowski, Investigations Supervisor
9 Department of Insurance
2910 North 44th Street, Suite 210
10 Phoenix, Arizona 85018

11 
12 Curvey Walters Burton

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