

JUL 10 2007

DEPT OF INSURANCE
BY 

STATE OF ARIZONA

DEPARTMENT OF INSURANCE

In the Matter of)
)
SECOND CHANCE BAIL BONDS)
dba A SECOND CHANCE BAIL BONDS;)
SECOND CHANCE IMMIGRATION)
SERVICES dba A SECOND CHANCE)
IMMIGRATION SERVICES and SYED)
SHAHZAD ALI)
)
 Respondents.)

Docket No. 07A-117-INS

ORDER TO CEASE AND DESIST

The Arizona Department of Insurance (the "Department") has received evidence that Second Chance Bail Bonds dba A Second Chance Bail Bonds, Second Chance Immigration Services, A Second Chance Immigration Services and Syed Shahzad Ali ("Respondents") have unlawfully transacted the business of insurance in the State of Arizona. Accordingly, the Director of Insurance of the State of Arizona (the "Director") makes the following Findings of Fact and Conclusions of Law and enters the following Order pursuant to Arizona Revised Statutes ("A.R.S.") §§ 20-340.06 and 20-292.

FINDINGS OF FACT

1. Second Chance Bail Bonds dba A Second Chance Bail Bonds ("Second Chance Bail") is domiciled in Ohio as a registered trade name, registration #1326966. Second Chance Bail is not licensed as a bail bond agent in Arizona. Second Chance Bail is not exempt from licensure as a bail bond agent in Arizona. Second Chance Bail's mailing addresses are P.O. Box 603913, Cleveland, Ohio 44103 and P.O. Box 912, Cuyahoga Falls, Ohio 44223.

2. Second Chance Immigration Services dba A Second Chance Immigration Services ("Second Chance Immigration") is domiciled in Ohio as a registered trade name,

1 registration #1619619. Second Chance Immigration is not licensed as a bail bond agent in
2 Arizona. Second Chance Immigration is not exempt from licensure as a bail bond agent in
3 Arizona. Second Chance Immigration's mailing addresses are the same as Second Chance
4 Bail.

5 3. Syed Shahzad Ali ("Ali") is owner of Second Chance Bail and Second Chance
6 Immigration. Ali is not licensed as a bail bond agent in Arizona. Ali is not exempt from
7 licensure as a bail bond agent in Arizona. Ali's residence address is 3582 Caleb Ave.,
8 Cuyahoga Falls, Ohio 44221.

9 4. On October 21, 2005, Raul Adler ("Adler"), President of Gonzales & Gonzales
10 Bond and Insurance Agency filed a complaint with the Department regarding several licensed
11 bail bond agencies and other unlicensed business entities selling federal immigration bonds in
12 Arizona. One of the entities Adler named was Second Chance Bail. Adler provided a website
13 address and yellow pages advertisements for Second Chance Bail. The website advertises
14 the services offered by Second Chance Bail as bail bonds and immigration bonds for
15 detainees in Eloy and Florence, Arizona. The yellow page advertisement states that Second
16 Chance Bail provides immigration bonds and services for "Any jail, any court, anytime,
17 anywhere."

18 5. On November 4, 2005, an investigator for the Department contacted Ali advising
19 him that he was transacting insurance in the form of immigration and bail bonds without the
20 proper license.

21 6. On December 28, 2005, an investigator for the Department contacted Ali by
22 phone. Ali stated that he did not write bail bonds or immigration bonds. Instead, Ali refers
23 consumers to National Bonding & Insurance in Florida ("National Bonding"). Ali receives 5%

1 of the bond amount if the bond is written for making the referral to National Bonding. Eduardo
2 F. Almeida, president of National Bonding stated that he stopped doing business with Ali in
3 September, 2005.

4 7. Upon investigation, the Department discovered:

- 5 a. As of February 14, 2006, Second Chance Bail's website still contained a
6 link that offers bail and immigration bonds in Arizona.
- 7 b. As of April 4, 2006, the website link still offered bail and immigration
8 bonds with telephone numbers in Eloy and Florence, Arizona.
- 9 c. Ali has felony convictions in federal court in Ohio.
- 10 d. In August, 2005, National Bonding wrote an immigration bond for an
11 Arizona indemnitor. National Bonding split its commission with Ali.
- 12 e. As of September 15, 2006, the website link for Second Chance Bail
13 offered bail and immigration bonds with telephone numbers in Eloy and
14 Florence, Arizona.
- 15 f. On January 26, 2007, the California Department of Insurance provided
16 the Department with documents showing that Action Bail Bonds posted an
17 immigration bond for Eloy detainee Fernando Montoya Gallardo on
18 November 16, 2005. The documents show that Action Bail Bonds issued
19 a check to Second Chance Bail on November 16, 2005 for \$400 for the
20 Gallardo bond.
- 21 g. As of May 30, 2007, Second Chance Bail was still answering its Arizona
22 phone number.

1 **CONCLUSIONS OF LAW**

2 1. The Director has jurisdiction over this matter.

3 2. Respondents conduct, as alleged above, constitutes transacting insurance
4 business in the State of Arizona without a license within the meaning of A.R.S. §§ 20-106, 20-
5 281 and 20-282.

6 3. Respondents conduct, as alleged above, constitutes acting as a bail bond agent
7 in this state without a license within the meaning of A.R.S. § 20-340.01(A).

8 4. Respondents conduct, as alleged above, constitutes accepting a commission,
9 service, brokerage or other valuable consideration for selling, soliciting or negotiating
10 insurance in this state if that person is required to be licensed and is not so licensed, within the
11 meaning of A.R.S. §§ 20-298(B) 20-340.06.

12 5. Grounds exist for the Director to order Respondent to cease and desist its
13 violation pursuant to A.R.S. § 20-292.

14 **ORDER**

15 **IT IS THEREFORE ORDERED:**

16 1. Respondents shall immediately cease and desist from transacting insurance
17 business, including that of acting as a bail bond agent, in the State of Arizona.

18 2. Respondents shall cease and desist accepting a commission, brokerage or other
19 valuable consideration for selling, soliciting or negotiating insurance in this state.

20 ...

21 ...

22 ...

23

1 Syed Shahzad Ali
3582 Caleb Ave.
2 Cuyahoga Falls, Ohio 44221
Respondent

3 Jennifer Boucek
4 Assistant Attorney General
Arizona Attorney General's Office
5 1275 West Washington
Phoenix, Arizona 85007

6 Mary E. Kosinski, Executive Assistant for Regulatory Affairs
7 Terry Cooper, Assistant Director
Arnold Sniegowski, Investigations Supervisor
8 Cheryl Hawley, Investigator
Arizona Department of Insurance
9 2910 N. 44th Street, Suite 210
Phoenix, Arizona 85018

10 

11

Curvey Walters Burton

12
13
14
15
16
17
18
19
20
21
22
23