

MAY 5 2014

DEPT OF INSURANCE
BY 

STATE OF ARIZONA

DEPARTMENT OF INSURANCE

In the Matter of:

ELLERTSON, AARON WINN
dba Eazy Bail Bonds
(Arizona License Number 859991)
(National Producer Number 8735278)

No. 13A-123-INS

CONSENT ORDER

Petitioner.

The State of Arizona Department of Insurance ("Department") has received evidence that **Aaron Winn Ellertson dba Eazy Bail Bonds** violated provisions of Title 20, Arizona Revised Statutes. Petitioner wishes to resolve this matter without the commencement of formal proceedings, and admits the following Findings of Fact are true and consents to entry of the following Conclusions of Law and Order.

FINDINGS OF FACT

1. On or about March 8, 2006, the Department issued a Bail Bond Agent license to Aaron Winn Ellertson dba Eazy Bail Bonds ("Petitioner") which Petitioner renewed effective January 1, 2010.
2. Petitioner's addresses of record are: 118 N. Alma School Rd., Mesa, Arizona 85201 (business and mailing), 1632 E. Fountain St., Mesa, Arizona 85203 (residence).
3. On or about November 16, 2012, the Department issued Regulatory Bulletin 2012-03; Common Areas of Non-Compliance with Bail Bond Statutes and Rules to all Bail Bond Agents and Interested Parties ("2012 Bulletin"). Part V of the 2012 Bulletin states:

V. Inspection by the ADOI – ARS § 20-340.01(H) and AAC R20-6-601(D)(8)

The statute and rule both require a bail bond agent to maintain records for three years open to inspection or examination by the ADOI. The statute requires that the records be available "at any business time," and the rule requires that the records be available at "all reasonable times" at the agent's place of business. ADOI interprets this requirement to mean that the bail bond agent's records must be open and available to inspection by the ADOI during regular State business hours, Monday through Friday,

1 8:00 a.m. to 5:00 p.m. See, A.R.S. § 38-401. When possible, the ADOI will try to
2 coordinate with bail bond agents for access to records, but the ADOI may conduct spot
3 inspections when necessary.

4 4. Petitioner is located at 118 N. Alma School Road, Mesa, Arizona 85201.

5 5. On or about August 23, 2013 at 9:10 a.m., Investigators for the Department
6 arrived at Petitioner's location to conduct a spot inspection. Petitioner was not open for
7 business and the hours of operation for the business were posted on the building as 10:00
8 a.m. to 5:00 p.m., Monday through Friday.

9 6. On or about August 23, 2013, Petitioner was unable to produce a daily bond
10 register with the following required elements:

- 11 a. Number of the power of attorney form;
- 12 b. Date the bond was executed;
- 13 c. Name of the principal;
- 14 d. Amount of the bond;
- 15 e. Premium charged;
- 16 f. Premium reported to the surety company;
- 17 g. Security or collateral received;
- 18 h. Date the security or collateral was received and the date released;
- 19 i. Indemnity agreements;
- 20 j. Disposition of the bond; and
- 21 k. Date of disposition.

22 7. On December 31, 2013, Petitioner's license expired.

23 8. On or about March 17, 2014, Petitioner submitted an Insurance License
Renewal Application (Form L-191) to the Department to renew all lines of authority on his
license ("March 17, 2014 Renewal Application").

9. On or about March 20, 2014, the Department informed Petitioner that his
application to renew his license was refused.

10. On or about April 2, 2014, Petitioner submitted a Notice of Appeal and Request
for Hearing to the Department.

CONCLUSIONS OF LAW

1. The Director has jurisdiction over this matter.

1 2. Each bail bond agent shall have and maintain a place of business in this state
2 that is accessible to the public and where the bail bond agent principally conduct transactions
3 under the agent's license, within the meaning of A.R.S. § 20-340.01(E).

4 3. Petitioner's conduct, as described above, constitutes failing to keep complete
5 records of all business done under the authority of the license open to inspection or
6 examination by the Director or the Director's representatives at all reasonable times at the
7 principal place of business of the bail bond agent as designated in the license, within the
8 meaning of A.R.S. § 20-340.01(F) and A.A.C. R20-6-601(D)(8).

9 4. Petitioner's conduct, as described above, constitutes failure to keep, as a
10 minimum requirement for office records, a daily bond register that is the original and
11 permanent record of all bonds or undertakings executed by the licensee, within the meaning of
12 A.R.S. § 20-340.01(D).

13 5. Petitioner's conduct, as described above, constitutes a violation of Title 20, within
14 the meaning of A.R.S. § 20-295(A)(2) as applied to bail bond agents pursuant to A.R.S. § 20-
15 340.06.

16 6. Grounds exist for the Director to suspend, revoke, or refuse to renew Petitioner's
17 insurance license pursuant to A.R.S. §§20-295(A) as applied to bail bond agents pursuant to
18 A.R.S. § 20-340.06.

19 **ORDER**

20 IT IS HEREBY ORDERED THAT:

21 1. Petitioner will establish a new office location that will be where Petitioner
22 principally conducts transactions under the agent's license. Petitioner shall notify the
23 Department of the new business address as soon as possible.

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2. Petitioner’s principal place of business shall be open from 8:00 a.m. to 5:00 p.m., Monday through Friday.

3. Petitioner shall maintain a daily bond log with all the required elements.

4. The Department withdraws its denial of Petitioner’s March 17, 2014 Renewal Application.

5. The hearing scheduled for May 19, 2014 at 1:00 p.m. (ALJ Eigenheer) is vacated.

DATED AND EFFECTIVE this 2nd day of May, 2014.


GERMAINE L. MARKS
Director of Insurance

CONSENT TO ORDER

1. Petitioner has reviewed the foregoing Findings of Fact, Conclusions of Law and Order.

2. Petitioner admits the jurisdiction of the Director of Insurance, State of Arizona, and admits the foregoing Findings of Fact and consents to the entry of the foregoing Conclusions of Law and Order.

3. Petitioner is aware of his right to notice and a hearing at which he may be represented by counsel, present evidence and examine witnesses. Petitioner irrevocably waives his right to such notice and hearing and to any court appeals relating to this Consent Order.

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1 4. Petitioner states that no promise of any kind or nature whatsoever, except as
2 expressly contained in this Consent Order, was made to him to induce him to enter into this
3 Consent Order and that he has entered into this Consent Order voluntarily.

4 5. Petitioner acknowledges that the acceptance of this Consent Order by the
5 Director is solely to settle this matter against him and does not preclude any other agency,
6 officer, or subdivision of this state including the Department from instituting civil or criminal
7 proceedings as may be appropriate now or in the future.

8 6. Petitioner acknowledges that this Consent Order is an administrative action that
9 the Department will report to the National Association of Insurance Commissioners (NAIC) and
10 that he may have to report this administrative action on any future licensing applications either
11 to the Department or other States' Departments of Insurance.

12
13 APR 30th 2014
Date

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Aaron Winn Ellertson, AZ # 859991

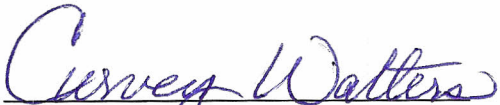
COPIES of the foregoing mailed/delivered
this 5th day of May, 2014, to:

Clifford M. Sherr
8835 N. 47th Pl.
Phoenix, AZ 85028-6133
Attorney for Petitioner

1 Darren Ellingson, Deputy Director
Mary Kosinski, Executive Assistant for Regulatory Affairs
2 Catherine M. O'Neil, Consumer Legal Affairs Officer
Steven Fromholtz, Licensing Supervisor
3 Charles Gregory, Special Agent Supervisor
Dan Ray, Investigator
4 Department of Insurance
2910 North 44th Street, Suite 210
5 Phoenix, Arizona 85018

6 COPY sent via electronic mail to:

7 Clifford M. Sherr
Sherr1@cox.net
8 Attorney for Petitioner

9 
10 Curvey Walters
3798189

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