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BEFORE THE INSURANCE COMMISSIONER
OF THE STATE OF UTAH

COMPLAINANT:

UTAH INSURANCE DEPARTMENT

RESPONDENTS:

GRANITE BAIL BONDS
License No. 97870

RYAN COOPER
License No. 109654

PO Box 304
American Fork, UT 84003

STIPULATION AND ORDER

Docket No.: 2011-122 PC

Enf. Case No. 2861

STIPULATION

1. Respondent Granite Bail Bonds (“Granite”) is a bail bond surety company in the State of Utah holding license number 97870. Respondent Ryan Cooper is the owner of Respondent Granite Bail Bonds and is a licensed bail bond agent in the State of Utah holding license number 109654.

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 neither admit nor deny the Findings of Fact and Conclusions made herein;
- 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 acknowledge that the issuance of this Order by the Commissioner is

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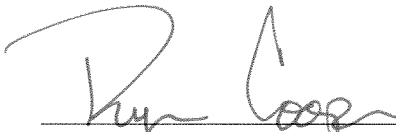
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solely for purpose of disposition of the matter entitled herein.

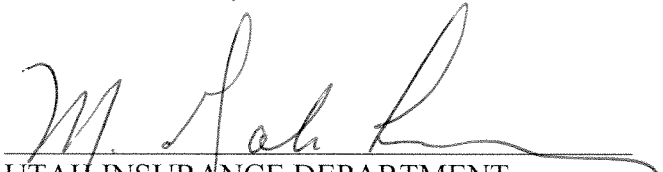
DATED this 27th day of June, 2011.



GRANITE BAIL BONDS
Ryan Cooper, Owner



RYAN COOPER, Licensee



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. During an agency audit on March 15, 2011, the examiner discovered that Granite was not properly handling the collateral monies received to secure bail bonds.

2. The examiner determined that Granite had not properly established and maintained a Trust Account.

3. The examiner also determined that the accounts identified on Granite's ledger, were not identified as a "Trust Account;" the account receiving deposits of collateral was not being reconciled monthly; collateral received was not being deposited by the next day; and interest was remaining in the account.

4. The audit also determined that trust funds had been co-mingled with Respondents' money.

5. The audit also revealed that the forms being used by Respondents had not been properly updated to reflect changes made to the current Rule R590-196-6.

6. Respondent Cooper was cooperative during the audit. Respondents have since established a trust account and have filed new forms with the Department to comply with Rule R590-196-6.

7. Respondents agree to the to the recommended forfeiture and probation.

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 establish a trust account and to deposit collateral funds, held in a fiduciary capacity, in a trust account, Respondents violated Utah Code Ann. § 31A-23a-409 and Utah Administrative Code R590-170-4, 5, and 7.

2. In failing to deal with collateral funds received in a fiduciary capacity in a proper manner, and in commingling them with their own funds, Respondents violated Utah Code Ann. § 31A-35-603.

3. In using forms that did not comply with Utah Administrative Rule R590-196-6 and violated that rule.

4. Respondents' actions constitute unprofessional conduct under Utah Administrative Code R590-186-7(28).

5. An administrative forfeiture in the amount of \$5,000.00 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 Granite Bail Bonds and Ryan Cooper are hereby jointly and severally assessed an administrative forfeiture in the amount of \$5,000.00 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 a period of 18 months commencing

with the date of this Order. The terms of probation are that Respondents shall pay the administrative forfeiture assessed herein in a timely manner and have no further violations of the Utah Insurance Code, Department Rules, or any order of the Commissioner.

DATED this 13th day of JULY, 2011.

NEAL T. GOOCH
Insurance Commissioner



MARK E. KLEINFELD
Administrative Law Judge
Utah Insurance Department
State Office Building, Room 3110
Salt Lake City, Utah 84114
Telephone: (801) 538-3800

NOTIFICATION

You are hereby notified that a failure to obey an Order of the Commissioner may subject you to further penalties, including forfeiture of up to \$5,000 per violation and the suspension or revocation of your license and the filing of an action in district court, which may impose forfeitures 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.

CERTIFICATE OF MAILING

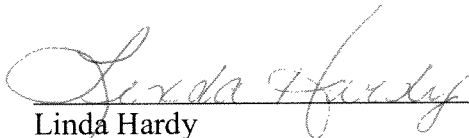
I do hereby certify that on this date I mailed, by regular mail postage prepaid, a true and correct copy of the attached:

STIPULATION
&
ORDER

To the following:

Granite Bail Bonds
Ryan Cooper
P.O. Box 304
American Fork, UT 84003

DATED this 14th day of July, 2011



Linda Hardy
Market Conduct
Utah Department of Insurance
State Office Building, Room 3110
Salt Lake City, UT 84114-6901

**UTAH
Invoice**

Printed Date: July 14, 2011

Invoice Date: July 14, 2011
Balance Due: \$5,000.00
Due Date: August 18, 2011
Invoice ID: 519370

GRANITE BAIL BONDS
PO BOX 304
AMERICAN FORK UT 84003

Item Description	Amount
Monetary Penalty Agency	\$5,000.00
Original Amount Due	<u>\$5,000.00</u>
Payments Received	
	<u>Balance Due</u>

**UTAH
Invoice**

Printed Date: July 14, 2011

Invoice Date: July 14, 2011
Balance Due: \$5,000.00
Due Date: August 18, 2011
Invoice ID: 519370

Make checks payable to: Utah Insurance Department

Send payment to:

Utah Insurance Department
3110 State Office Building
Salt Lake City, UT 84114-6901