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FILED
OCT 23 2012
Department of Insurance
State of Idaho

BEFORE THE DIRECTOR OF THE DEPARTMENT OF INSURANCE

STATE OF IDAHO

In the Matter of:

TWO JINN, INC.,
a California corporation,
d/b/a Aladdin Bail Bonds

Bail Agency License No. 112502

Docket No. 18-2756-12

FINAL ORDER

The parties hereto, namely the Idaho Department of Insurance and its counsel of record, Richard B. Burleigh, Deputy Attorney General, and TWO JINN, INC., a California corporation, d/b/a Aladdin Bail Bonds, Bail Agency License No. 112502 ("**Two Jinn**"), and its counsel of record, Scott McKay of Nevin Benjamin McKay & Bartlett, attorney-at-law, having entered into that certain STIPULATION, a copy of which is attached hereto, and the Director having reviewed the same and based on the foregoing and in consideration of the premises,

IT IS HEREBY ORDERED that the STIPULATION on file herein is approved and adopted as an Order of the Director, and is incorporated herein as if set forth in full and made a part hereof.

IT IS SO ORDERED.

DATED this 22ND day of October, 2012.

By: _____


WILLIAM W. DEAL, Director
IDAHO DEPARTMENT OF INSURANCE

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that I have, on this 23rd day of October, 2012, caused a true and correct copy of the foregoing FINAL ORDER to be served upon the following by the designated means:

Scott McKay
Nevin Benjamin McKay & Bartlett
303 W. Bannock
Boise, ID 83701

☒ first class mail
☐ certified mail
☐ hand delivery
☐ via facsimile

Richard B. Burleigh
Deputy Attorney General
Idaho Department of Insurance
700 W. State Street
Boise, Idaho 83720-0043

☐ first class mail
☐ certified mail
☒ hand delivery
☐ via facsimile



Teresa Jones

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STATE OF IDAHO

In the Matter of:

TWO JINN, INC.,
a California corporation,
d/b/a Aladdin Bail Bonds

Bail Agency License No. 112502

Docket No. 18-2756-12

STIPULATION

The parties herein, namely the Idaho Department of Insurance (the “**Department**”) and its counsel of record, Richard B. Burleigh, Deputy Attorney General, and TWO JINN, INC., a California corporation, d/b/a Aladdin Bail Bonds, Bail Agency License No. 112502 (“**Two Jinn**”), and its counsel of record, Scott McKay of Nevin Benjamin McKay & Bartlett, attorney-at-law, do hereby agree and stipulate as follows:

1. That as a duly licensed bail agency in the state of Idaho, Two Jinn falls within the jurisdiction of the Director of the Idaho Department of Insurance (“**Director**”) and title 41 of the Idaho Code.

2. That the Department has been engaged in an investigation of the activities of Two Jinn and the possible violation of Idaho Code § 41-1314(4).

3. That Idaho Code § 41-1314(4) provides as follows:

(4) Extension of credit for the payment of premium beyond the customary premium payment period without charging and collecting interest at a reasonable rate per annum on the amount of credit so extended and for the duration of such credit is prohibited under this section.

4. On March 29, 2011 Two Jinn posted a one million dollar bail bond for Defendant Robert Hall, with a premium payment of \$80,000.00 and \$60.00 of miscellaneous charges (Power Number DN1000-2665613). Mr. Hall has been returned to custody and the bond was exonerated on September 30, 2011 and released.

5. On March 29, 2011, Two Jinn entered into a promissory note with Ronald Hall, Barbara Hall and Kandi Hall, the indemnitors for Robert Hall under Bail Bond No. DN1000-2665613, for payment of the \$80,060.00 over a period of fourteen (14) months. Initially front loaded with two large payments, the March promissory note requires twelve (12) additional monthly payments in the amount of \$2,505.00. Compliance with the payment schedule in the March promissory note results in exactly \$80,060.00 being paid to Two Jinn with no interest charged or collected in the event the Promissory note was successfully paid off.

6. On July 14, 2011, Two Jinn and Barbara Hall and Kandi Hall entered into a modified promissory note replacing the March 29, 2011 promissory note. The revised promissory note is payable over a period of five (5) year period and requires fifty-nine (59) payments of \$585.00 and one (1) final payment of \$545.00. The face amount of the note is \$35,060.00 (reflecting payment under the original promissory note in the amount of \$45,000.00). Upon the successful compliance with the payment schedule included on the July promissory

note, the indemnitors will pay exactly \$35,060.00. No interest payments are charged or collected under this July promissory note.

7. The Department asserts that the above referenced promissory notes are in violation of Idaho Code § 41-1314(4) due to their extension of credit for the payment of the premium without charging or collecting interest.

8. Two Jinn contests the Department's interpretation of Idaho Code § 41-1314(4) particularly with regard to what constitutes the "customary premium payment period" during which time interest is not required for the extension of credit for the payment of a premium.

9. That the parties hereto believe that this matter may be brought to a close by a negotiated and stipulated settlement.

10. That, based on the foregoing, the parties agree and stipulate as follows:

- a. The Department agrees that it shall not file and pursue a formal complaint against Two Jinn with regard to whether the above referenced promissory notes violate Idaho Code § 41-1314.
- b. Two Jinn, without admitting any violation of Idaho Code § 41-1314(4), agrees to pay to the Department the sum of \$5,000.00 within three (3) business days following the entry of the order accepting this stipulation
- c. Two Jinn shall, to the extent it has not already done so, release all collateral associated with the Robert Hall bail bond (Power Number DN1000-2665613) because Mr. Hall is no longer out of custody on bond.
- d. Nothing herein shall infringe on or limit the Department's enforcement rights and obligations under the Idaho Code, but is for convenience of the parties to this stipulation until such time as a formal bulletin or rule can be developed and issued.

11. That the parties waive their right to notice and hearing at which they may be represented by counsel, present evidence and examine witnesses.

12. That the parties hereby waive the right to seek reconsideration and judicial review of the Final Order to be entered herein.

13. That the parties hereto have reviewed the proposed Final Order, attached hereto as Exhibit A and incorporated herein by this reference, and agree as to its form and that this stipulation and Final Order may be submitted to the Director for review and approval.

14. That the parties agree that the terms of this Stipulation are appropriate and proper under the circumstances referenced herein, and that they have entered into this Stipulation knowingly, voluntarily and with full knowledge of any rights they may be waiving thereby.

[Signatures on next pages.]

AGREED THIS 19th day of October, 2012.

TWO JINN, INC.,
a California corporation,
d/b/a Aladdin Bail Bonds

By: [Signature]
Name: HERBERT E. MUTTER
Its: Chief Business Financial Officer

Approved as to Form:

By: [Signature] for
Scott McKay, Esq.
Attorney for Two Jinn, Inc.

STATE OF _____)
County of _____) ss.

See Attached

On this _____ day of October, 2012, before me, the undersigned, a Notary Public in and for said State, personally appeared _____, the _____ for **Two Jinn, Inc.**, a California corporation, in his official capacity, who executed the foregoing instrument, and acknowledged to me that the said instrument is the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned.

WITNESS MY HAND and official seal hereto affixed the day, month and year in this certificate first above written.

My commission expires: _____

Notary Public in and for the
State of _____
Residing at _____

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

CIVIL CODE § 1189

State of California

County of San Diego

On 10/16/12

Date

before me,

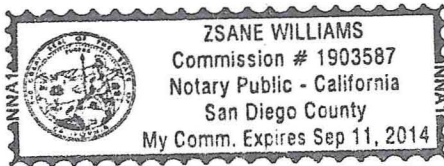
Zsane Williams, Notary Public

Here Insert Name and Title of the Officer

personally appeared

Herb Mutter

Name(s) of Signer(s)



who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature:

Zsane Williams

Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document

Title or Type of Document: _____

Document Date: _____

Number of Pages: _____

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____

☐ Corporate Officer — Title(s): _____

☐ Individual

☐ Partner — ☐ Limited ☐ General

☐ Attorney in Fact

☐ Trustee

☐ Guardian or Conservator

☐ Other: _____

Signer Is Representing: _____

RIGHT THUMBPRINT
OF SIGNER

Top of thumb here

Signer's Name: _____

☐ Corporate Officer — Title(s): _____

☐ Individual

☐ Partner — ☐ Limited ☐ General

☐ Attorney in Fact

☐ Trustee

☐ Guardian or Conservator

☐ Other: _____

Signer Is Representing: _____

RIGHT THUMBPRINT
OF SIGNER

Top of thumb here

AGREED THIS 19th day of October, 2012.

IDAHO DEPARTMENT OF INSURANCE

By: Georgia Siehl
Georgia Siehl, CPA, CFE
Bureau Chief, Chief Examiner
Idaho Department of Insurance

Approved as to Form:

OFFICE OF THE ATTORNEY GENERAL

By: Richard B. Burleigh
Richard B. Burleigh
Deputy Attorney General
Attorney for the Idaho Department of Insurance