

STATE OF NEW JERSEY
DEPARTMENT OF BANKING AND INSURANCE

IN THE MATTER OF:

Proceedings by the Commissioner of Banking)
and Insurance, State of New Jersey, to fine,)
suspend, and/or revoke the insurance producer)
licenses of John Anthony Bonino, Sr.,)
Reference No. 1060671 and United Bail)
Group, LLC, Reference No. 1520251)

FINAL ORDER

TO: John Anthony Bonino, Sr.
c/o 007 Bail Bonds, Inc.
16 Court Street
Freehold, New Jersey 07728

John Anthony Bonino, Sr.
12 Stevens Avenue
Old Bridge, New Jersey 08857

United Bail Group LLC
16 Court Street
Freehold, New Jersey 07728

This matter, having been opened by the Commissioner of Banking and Insurance (“Commissioner”), State of New Jersey, upon issuance of Order to Show Cause E18-56 alleging that John Anthony Bonino, Sr. (“Bonino”) and United Bail Group LLC (“United”), may have violated various provisions of the insurance laws of the State of New Jersey; and

WHEREAS, Bonino was licensed as a resident insurance producer in the State of New Jersey pursuant to N.J.S.A. 17:22A-32 until his license expired on March 31, 2018; and

WHEREAS, United is currently licensed as a resident business entity insurance producer pursuant to N.J.S.A. 17:22A-32; and

WHEREAS, Bonino and United are subject to the provisions of the New Jersey Insurance Producer Licensing Act of 2001, N.J.S.A. 17:22A-26 to -48 (“Producer Act”), the Producer Licensing regulations, N.J.A.C. 11:17-1.1 to -2.17, and the regulations governing Insurance Producer Standards of Conduct, N.J.A.C. 11:17A-1.1 to 11:17D-2.8; and

WHEREAS, Karl V. Brown (“Brown”) was licensed as a resident individual insurance producer pursuant to N.J.S.A. 17:22A-32a until his license was revoked on December 14, 2015; and

WHEREAS, Guaranteed Bail Bonds (“Guaranteed”) was licensed as a resident business entity insurance producer pursuant to N.J.S.A. 17:22A-32b until its license was revoked on December 14, 2015; and

WHEREAS, pursuant to N.J.S.A. 17:22A-40d, the Commissioner shall retain the authority to enforce the provisions of and impose any penalty or remedy authorized by the Producer Act and Title 17 of the Revised Statutes or Title 17B of the New Jersey Statutes against any person who is under investigation for or charged with a violation of the Producer Act or Title 17 of the Revised Statutes or Title 17B of the New Jersey Statutes even if the person’s license or registration has been surrendered or has lapsed by operation of law; and

WHEREAS, pursuant to N.J.S.A. 17:22A-32b(2), a business entity acting as an insurance producer shall designate a licensed insurance producer or producers responsible for the business entity’s compliance with the insurance laws, rules and regulations of this State; and

WHEREAS, at all times relevant hereto, Bonino was a Designated Responsible Licensed Producer (“DRLP”) and responsible for the activities of United and compliance of United with the insurance laws, rules, and regulations of this State pursuant to N.J.S.A. 17:22A-32b(2); and

WHEREAS, pursuant to N.J.S.A. 17:22A-40a(2), an insurance producer shall not violate any insurance law, regulation, subpoena or order of the Commissioner or of another state's insurance regulator; and

WHEREAS, pursuant to N.J.S.A. 17:22A-40a(8), an insurance producer shall not use fraudulent, coercive or dishonest practices, or demonstrate incompetence, untrustworthiness or financial irresponsibility in the conduct of insurance business in this State or elsewhere; and

WHEREAS, pursuant to N.J.S.A. 17:22A-40a(12), an insurance producer shall not knowingly accept insurance business from an unlicensed producer; and

WHEREAS, pursuant to N.J.S.A. 17:22A-40a(16), an insurance producer shall not commit any fraudulent act; and

WHEREAS, pursuant to N.J.S.A. 17:22A-40a(17), an insurance producer shall not knowingly facilitate or assist another person in violating insurance laws; and

WHEREAS, pursuant to N.J.S.A. 17:22A-41(a), an insurer or insurance producer shall not pay a commission, service fee, brokerage or other valuable consideration to a person for selling, soliciting or negotiating insurance in this State if that person is required to be licensed under the Producer Act and is not licensed; and

WHEREAS, pursuant to N.J.A.C. 11:17A-1.3(d), no licensed insurance producer shall permit or allow any unlicensed person to transact the business of an insurance producer; and

WHEREAS, pursuant to N.J.A.C. 11:17B-2.1(a), no insurance producer shall pay any commission to any unlicensed individual or organization for services rendered in this State as an insurance producer except for services rendered while licensed; and

WHEREAS, pursuant to N.J.S.A. 17:22A-40a, the Commissioner may place on probation, suspend, revoke or refuse to issue or renew an insurance producer's license, and may levy a civil

penalty, for a violation of the Producer Act; and

WHEREAS, pursuant to N.J.S.A. 17:22A-45c, any person violating the Producer Act is subject to a penalty not exceeding \$5,000.00 for the first offense and not exceeding \$10,000.00 for each subsequent offence; moreover, the Commissioner may order restitution of moneys owed any person and reimbursement of costs of the investigation and prosecution; and

WHEREAS, on June 1, 2018, the Commissioner issued Order to Show Cause E18-56, alleging violations of New Jersey insurance laws by Bonino and United as set forth in the following

Counts:

COUNT 1

IT APPEARING, that on February 27, 2015, Brown, on behalf of Guaranteed, and Bonino, on behalf of United, entered into a Supervised Representative's Bail Bond Agreement ("Agreement") with American Surety Company ("American Surety"); and

IT FURTHER APPEARING, that American Surety is a surety company incorporated in the State of Indiana and authorized to transact business in New Jersey that issues fidelity and surety insurance; and

IT FURTHER APPEARING, that American Surety supplied Respondents with powers of attorney pursuant to the Agreement so that Respondents could execute bail bonds in the name of American Surety; and

IT FURTHER APPEARING, that, at all relevant times, including January 2016, Respondents were the supervisory agents for Brown in connection with all bail bond transactions made with American Surety in the State of New Jersey; and

IT FURTHER APPEARING, that Respondents were expected to supply Brown and Guaranteed with American Surety powers of attorney to meet reasonable business needs pursuant to the Agreement; and

IT FURTHER APPEARING, that Respondents did supply Brown and Guaranteed with American Surety powers of attorney; and

IT FURTHER APPEARING, that Brown and Guaranteed were to deliver any unused powers of attorney to American Surety or

Respondents at the request of American Surety pursuant to the Agreement; and

IT FURTHER APPEARING, that, on January 6, 2016, Brown and Guaranteed issued an American Surety power of attorney for the posting of bail for S.B.; and

IT FURTHER APPEARING, that, on January 11, 2016, Brown and Guaranteed issued an American Surety power of attorney for the posting of bail for R.A.; and

IT FURTHER APPEARING, that, on January 14, 2016, Brown and Guaranteed issued an American Surety power of attorney for the posting of bail for A.L.; and

IT FURTHER APPEARING, that Respondents knew that Brown and Guaranteed issued the three referenced American Surety powers of attorney in January 2016; and

IT FURTHER APPEARING, that at all relevant times Respondents, as supervising agents for Brown and Guaranteed, had knowledge that there was a pending Department of Banking and Insurance administrative action against Brown and Guaranteed for insurance law violations; and

IT FURTHER APPEARING, that at all relevant times, Respondents, as supervisory agents for Brown and Guaranteed, knew or should have known that Brown's and Guaranteed's insurance producer licenses had been revoked when Brown and Guaranteed issued the three referenced American Surety powers of attorney in January 2016; and

IT FURTHER APPEARING, that Respondents failed to request the return of American Surety powers of attorney from Brown and Guaranteed when they knew or should have known that Brown's and Guaranteed's insurance producer licenses had been revoked; and

IT FURTHER APPEARING, that Respondents collected premiums from Brown and Guaranteed and paid commissions to Brown and Guaranteed for the three referenced American Surety powers of attorney issued by Brown and Guaranteed; and

IT FURTHER APPEARING, that Respondents, the supervisory agents for Brown and Guaranteed, knowingly accepted insurance business from an unlicensed insurance producer, allowed an unlicensed person to transact the business of an insurance producer and facilitated or assisted Brown and Guaranteed in violating the

insurance laws in violation of N.J.S.A. 17:22A-40a(12) and (17) and N.J.A.C. 11:17A-1.3(d); and

IT FURTHER APPEARING, that Respondents, as supervisory agents for Brown and Guaranteed, demonstrated incompetence, untrustworthiness or financial irresponsibility in the conduct of insurance business by doing business with unlicensed insurance producers in violation of N.J.S.A. 17:22A-40a(2), (8) and (16); and

IT FURTHER APPEARING, that Respondents paid a commission or other valuable consideration to a unlicensed individual or organization for selling, soliciting or negotiating insurance in violation of N.J.A.C. 11:17B-2.1(a) and N.J.S.A. 17:22A-41(a); and

WHEREAS, as set forth in the Certification of Brian R. Fitzgerald, attached hereto as Exhibit A, Bonino and United were given notice of the aforesaid charges and an opportunity to contest the charges at a hearing pursuant to Order to Show Cause No. E18-56, which was duly served upon Bonino and United by certified and regular mail to the last known residence and mailing address of Bonino and last known business address of United according to the files maintained by the Department, pursuant to N.J.A.C. 11:17D-2.1(a)3; and

WHEREAS, Bonino and United failed to provide a written response to the charges contained in Order to Show Cause No. E18-56 within twenty days as provided by N.J.A.C. 11:17D-2.1(d)1, and therefore has waived their right to a hearing to contest these charges and the charges are deemed admitted pursuant to N.J.A.C. 11:17D-2.1(b)1;

NOW, THEREFORE, IT IS on this 26th day of SEPTEMBER, 2018

ORDERED, that the charges contained in Count 1 of Order to Show Cause E18-56 are deemed admitted by Bonino and United, pursuant to N.J.A.C. 11:17D-2.1(b)1; and

IT IS FURTHER ORDERED, that pursuant to N.J.S.A. 17:22A-40 and N.J.A.C. 11:17D-2.1(b)2, the insurance producer licenses of Bonino and United are **REVOKED** effective upon the execution of this Final Order; and

IT IS FURTHER ORDERED, that pursuant to N.J.S.A. 17:22A-45c, Bonino and United shall jointly and severally pay a civil penalty in the amount of \$5,000.00 for violating the Producer Act; and

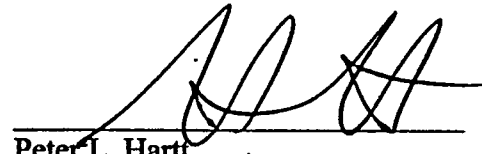
IT IS FURTHER ORDERED, that pursuant to N.J.S.A. 17:22A-45c and N.J.A.C. 11:1-32.4(b)20, Bonino and United shall reimburse the Department of Banking and Insurance for the costs associated with the investigation and prosecution of this matter, as evidenced by the Certification of Costs by Investigator Eugene Shannon, attached hereto as Exhibit B, totaling \$1,700.00; and

IT IS FURTHER ORDERED, that Bonino and United shall pay the above fines and costs totaling \$6,700.00 in full by remitting payment to the Commissioner of Banking and Insurance, State of New Jersey, 20 West State Street, P.O. Box 329, Trenton, New Jersey 08625, Attention: Virgil Downtin, Chief of Investigations, by certified check, cashier's check or money order made payable to the "State of New Jersey, General Treasury," within ten (10) days from the date of service of this Order; and

IT IS FURTHER ORDERED, that in the event full payment of the fines and costs is not made, the Commissioner may exercise any and all remedies available by law, including but not limited to recovery of any unpaid penalties, in accordance with the Penalty Enforcement Law of 1999, N.J.S.A. 2A:58-10 to -12; and

IT IS FURTHER ORDERED, that the fines in this Final Order are imposed pursuant to the police powers of the State of New Jersey for the enforcement of the law and the protection of the public health, safety and welfare, and are not intended to constitute debts which may be limited or discharged in a bankruptcy proceeding; and

IT IS FURTHER ORDERED, that the provisions of this Final Order represent a final agency decision and constitute a final resolution of the allegations contained in the Order to Show Cause E18-56 against Bonino and United.

A handwritten signature in black ink, consisting of several loops and a long horizontal stroke at the end, positioned above a solid horizontal line.

Peter L. Hart
Director of Insurance

EXHIBIT A

STATE OF NEW JERSEY
DEPARTMENT OF BANKING AND INSURANCE

IN THE MATTER OF:

Proceedings by the Commissioner of Banking)
and Insurance, State of New Jersey, to fine,)
suspend and/or revoke the insurance producer)
license of John Anthony Bonino, Sr., Reference)
No. 1060671 and United Bail Group, LLC)
Reference No. 1520251)
_____)

**CERTIFICATION OF
BRIAN R. FITZGERALD**

I, Brian R. Fitzgerald, of full age, do of my own personal knowledge make the following statements by way of certification in lieu of affidavit pursuant to R. 1:4-4(b):

1. I am a Deputy Attorney General assigned as counsel for the Department of Banking and Insurance, State of New Jersey ("Department"), in the above-captioned matter. I make this certification in support of entry of the Final Order in the above-captioned case against Respondents John Anthony Bonino, Sr. ("Bonino") and United Bail Group, LLC ("United").
2. On June 1, 2018, the Commissioner issued Order to Show Cause No. E18-56 against Bonino and United charging them with violations of the insurance laws of this State.
3. Pursuant to N.J.A.C. 11:17D-2.1(a)3, the Order to Show Cause "shall be served by personal delivery, or by certified mail to the alleged violator's last known business or mailing address, according to the files maintained by the Department. Service in this manner shall be considered lawful service on the alleged violator."

4. By cover letter dated June 6, 2018, our office mailed Order to Show Cause No. E18-56 to Bonino via certified mail, return receipt requested, and regular mail to Bonino's last known residence address on file with the Department at 12 Stevens Avenue, Old Bridge, New Jersey 08857.

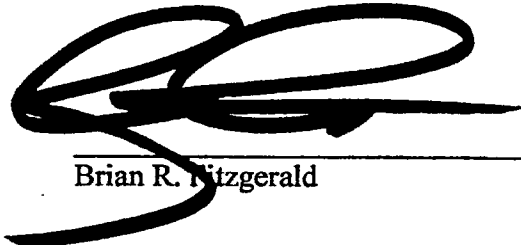
5. The regular and certified mailing were not returned to this office.

6. By cover letter dated June 6, 2018, our office also mailed Order to Show Cause No. E18-56 via certified mail, return receipt requested, and regular mail to Bonino's and United's last known business address on file with the Department at 16 Court Street, Freehold, New Jersey 08873.

7. The regular mailing was not returned to this office and the certified mailing was returned "Unclaimed." (A true and exact copy of the returned certified mailing envelope is attached hereto as Exhibit 1.)

8. Pursuant to N.J.S.A. 11:17D-2.1(a)3, service of the Order to Show Cause on the last known business and residence mailing addresses of Bonino and last known business address of United on file with the Department as described above constitutes lawful service upon them.

I certify that the foregoing statements made by me are true. I am aware that if any of the foregoing statements made by me are willfully false, I am subject to punishment.



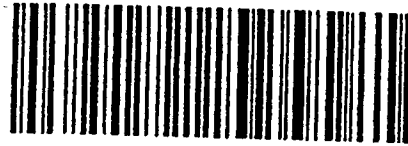
Brian R. Fitzgerald

Dated: September 24, 2018

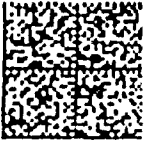
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STATE OF NEW JERSEY
DEPARTMENT OF LAW AND PUBLIC SAFETY
DIVISION OF LAW
P.O. BOX 117
TRENTON NJ 08625-0117



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Carl M. Bornmann, DAG

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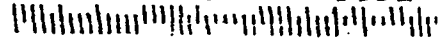
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Freehold New Jersey 07728

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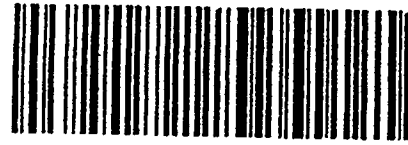
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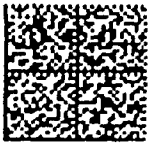
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STATE OF NEW JERSEY
DEPARTMENT OF LAW AND PUBLIC SAFETY
DIVISION OF LAW
P.O. BOX 117
TRENTON NJ 08625-0117



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Carl M. Bornmann, DAG

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John Anthony Bonino, Sr.
16 Court Street

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EXHIBIT B

STATE OF NEW JERSEY
DEPARTMENT OF BANKING AND INSURANCE

IN THE MATTER OF:

Proceedings by the Commissioner)
of Banking and Insurance, State)
of New Jersey, to fine, suspend)
and/or revoke the insurance)
producer licenses of John Anthony)
Bonino, Sr., Reference No.)
1060671 and United Bail Group,)
LLC, Reference No. 1520251)

**CERTIFICATION OF COSTS
BY INVESTIGATOR
EUGENE SHANNON**

I, Eugene Shannon, of full age, do of my own personal knowledge make the following statements by way of certification in lieu of affidavit pursuant to R. 1:4-4(b):

1. I am an investigator with the New Jersey Department of Banking and Insurance, Division of Enforcement and Consumer Protection ("Department").

2. This certification is submitted in support of the Department's application for reimbursement of its costs of investigation and prosecution, in accordance with N.J.S.A. 17:22A-45(c).

3. On or about February 22, 2016, I was re-assigned responsibility for conducting an investigation to determine whether John Anthony Bonino, Sr. and United Bail Group may have violated certain provisions of the New Jersey Producer Licensing Act of 2001, N.J.S.A. 17:22A-26 to -48, and related insurance regulations.

4. To determine the amount of time that I spent in the investigation and prosecution of this matter, I reviewed my files relative to this matter, including our time records. On the basis of this review, I have prepared the below schedule of costs:

DATE	TIME IN HRS.	PHONE	CASE PREP.	COMMENTS
2/22/2016	2.5			Review complaint and set up administrative file
3/10/2016	1.5			Interview of Bonino and prepare report
3/21/2016	2.0			Contact with Bonino re; response, interview and report-review bail documents
3/22/2016	1.5			Produce Investigative Report #1
3/10/2016-5/20/2016	2.0			Eight email communications to and from Bonino
3/30/2016-4/20/2016		2.5		Five related phone calls to obtain information
4/21/2016	3.0			Receive and review bail documents from Bonino
5/20/2016	2.0			Produce Investigative report #2
5/24/2016	2.0			Emails from Court, Bonino and Complaints with attachments-Review documents for evidence
8/25/2016	3.0			Produce Facts & Evidence Report
8/25/2016	1.0			Notice of Decision to Bonino
9/8/2016		1.0		Penalty discussion with Bonino
9/13/2016	1.0			Receipt of penalty appeal from Bonino
9/15/2016		1.0		Discussion of appeal decision
9/29/2016-10/4/2016		2.0		Phone calls to obtain Bonino decision to accept Consent Order
10/4/2016			1.0	File sent to Division of Law
5/31/2018	3.0			Review draft of Order to Show Cause, consult with Deputy Attorney General
8/30/2018	2.0			Review file and produce investigation schedule of costs
	26.5	6.5	1.0	
TOTAL TIME	34	@ \$50.00 per hour		= \$1,700.00 Total Cost of Investigation

5. As this schedule reflects, the investigative efforts expended by the Department of

Insurance concerning this matter total thirty-three (33) hours. Pursuant to N.J.A.C. 11:1-32.4(b)(20), costs to the Department for the investigation and prosecution for violations of the New Jersey Insurance Producer Licensing Act, N.J.S.A. 17:22A-40, are reimbursable at the rate of \$50.00 per hour, rounded to the nearest quarter hour.

6. I therefore request that the Department's costs of investigation and prosecution be reimbursed in the amount of one-thousand, seven hundred dollars (\$1,700.00).

I certify that the foregoing statements made by me are true. I am aware that if any of the foregoing statements are willfully false, I am subject to punishment.


Eugene Shannon

Dated:

8/30/2018