Application for
Utah Resident Bail Bond Business Entity License

`Utah Insurance Department
Suite 3110 State Office Building
PO Box 146901
Salt Lake City, UT 84114

Demographic Information

(1) Business Entity Name: BUSY BEE BONDS	(2) Incorporation/Formation Date (month) 12 (day) 7 (year) 2015	(3) FEIN: [redacted]
(4) If assigned, National Producer Number (NP#)	(5) If applicable, FINRA Firm Central Registration Depository (CRD) Number	
(6) List any other assumed, fictitious, alias or trade names under which you are doing business or intend to do business.: N/A	(7) State of Domicile: Utah	(8) Country of Domicile: Salt Lake

(9) Is the business entity affiliated with a financial institution/bank? Yes ☐ No ☒

(10) Business Address	(11) City	(12) State	(13) Zip Code	(14) Foreign Country
268 E. 500 South	Salt Lake City	Ut	84111	

(15) Phone Number (include extension)	(16) Fax Number	(17) Business Web Site Address	(18) Business E-Mail Address
801 -	( ) -	none	NANCYGARYdogs@q.com

(19) Mailing Address	(20) P.O. Box	(21) City	(22) State	(23) Zip Code	(24) Foreign Country
same					

Designated/Responsible Licensed Producer

(25) Identify at least one Designated/Responsible Licensed Producer responsible for the business entity's compliance with the insurance laws, rules, and regulations of this state.

Name GARY R. WALTON SSN [redacted]
Name _____ SSN ___ - ___ - ___
Name _____ SSN ___ - ___ - ___
Name _____ SSN ___ - ___ - ___

Owners, Partners, Officers and Directors

(26) Identify all owners with 10% interest or voting interest, partners, officers and directors of the business entity, or members or managers of a limited liability company:

Name	Title	SSN/FEIN	Owner
Gary R. Walton	General Manager	[redacted]	(Yes) / No
Nancy Walton	Share holder - Partner	[redacted]	(Yes) / No
		___ - ___ - ___	Yes / No
		___ - ___ - ___	Yes / No
		___ - ___ - ___	Yes / No
		___ - ___ - ___	Yes / No
		___ - ___ - ___	Yes / No
		___ - ___ - ___	Yes / No

(State Use)

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Business Entity Qualifications

(27) **Check the legal business type and the financial qualifications of the license for which you are applying.**

Legal Business Type:

- ☐ C - Corporation
- ☐ P - Partnership
- ☐ S - Sole Proprietorship
- ☒ LLC - Limited Liability Company
- ☐ LLP - Limited Liability Partnership

Financial Qualifications:

- ☐ **Surety Insurer:** _____ **(provide name)**
- ☒ **Real/ Personal Property** - $300,00 Net Worth ($100,000 Liquid)
- ☐ **Financial Institution Line of Credit** - $300,000

Required Additional Information with Initial Application

(28) The following additional information is required. Please submit electronically to the department by faxing to the attention of Cathy Burton at 801-537-9113 or as a PDF attachment to an email at caburton@utah.gov..

1) Articles of Organization and/or Articles of Incorporation identifying business' legal name and all owners, partners, shareholders and managers.
2) Proof of business entity registration through the Department of Commerce.
3) A copy of all forms to be used by the agency, filed with the department using the attached Property & Casualty Transmittal Document. **Note: The agency cannot begin business until these forms are filed.**
4) Proof of meeting the financial requirements by submitting one of the following:
   a) **Letter of Credit Basis** – Applicant must provide an irrevocable letter of credit with a minimum face value of $300,000 assigned to the State of Utah from a qualified Utah Financial Institution.
   b) **Ownership of Real or Personal Property basis -** Applicant must provide the following:
      i) A Certified Public Account reviewed financial statement as of the end of the most current fiscal year showing a net worth of at least $300,000, including a minimum of $100,000 in liquid assets.
      ii) A copy of the applicant's federal income tax return for the prior two years.
      iii) A preliminary title report dated not more than one month prior to the date of the application and an appraisal dated not more than two years prior to the date of the application for each parcel of real property owned by the applicant and included in the applicant's net worth calculation.
   c) **Agent of a bail bond Surety Insurer basis -** Applicant must provide a qualifying power of attorney issued by the bail bond surety insurer.
5) Proof that at least one principal has a minimum of 2,000 hours of experience working as an employee of a bail bond surety company as a licensed bail bond agent, including the following:
   a) a statement of the exact details of the character and nature of the experience;
   b) a statement by each employer verifying the number of hours worked for the employer; and
   c) federal income reporting forms that account for the wages for hours claimed, or documented approval of the claimed hours by the Utah Insurance Department (note: the total of 2,000 hours may be proved in part by federal income reporting forms and in part by approval by the insurance department).
6) Laws and Rules – The applicant is required to be aware of and comply with all the laws and rules governing the business of bail bonds. For the applicants information some of the laws that specifically apply to bail bonds can be found on our web site https://www.insurance.utah.gov/ among other statues, the applicant may want to refer to Utah Code Annotated 31A-23a-409, 31A-35, and Utah Administrative Code R590-170, R590-186, R590-196.

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Background Information

(29) Please read the following very carefully and answer every question. All written statements submitted by the Applicant must include an original signature.

1. Has the business entity or any owner, partner, officer or director of the business entity, or member or manager of a limited liability company, ever been convicted of, or is the business entity or any owner, partner, officer or director, member or manager currently charged with, committing a crime, had a judgment withheld or deferred, or are you currently charged with committing a crime? Yes ___ No X

   "Crime" includes a misdemeanor, felony or a military offense. You may exclude misdemeanor traffic citations or convictions involving driving under the influence (DUI) or driving while intoxicated (DWI), driving without a license, reckless driving, or driving with a suspended or revoked license and juvenile offenses. "Convicted" includes, but is not limited to, having been found guilty by verdict of a judge or jury, having entered a plea of guilty or nolo contendre, or having been given probation, a suspended sentence or a fine.

   If you answer yes, you must attach to this application:
   a) a written statement identifying all parties involved (including their percentage of ownership, if any)and explaining the circumstance of each incident.
   b) a copy of the charging document,
   c) a copy of the official document, which demonstrates the resolution of the charges or any final judgment.

2. Has the business entity or any owner, partner, officer or director, or manager or member of a limited liability company, ever been named or involved as a party in an administrative proceeding regarding any professional or occupational license, or registration? Yes X No ___

   "Involved" means having a license censured, suspended, revoked, canceled, terminated; or, being assessed a fine, a cease and desist order, a prohibition order, a compliance order, placed on probation or surrendering a license to resolve an administrative action. "Involved" also means being named as a party to an administrative or arbitration proceeding, which is related to a professional or occupational license. "Involved" also means having a license application denied or the act of withdrawing an application to avoid a denial. You may EXCLUDE terminations due solely to noncompliance with continuing education requirements or failure to pay a renewal fee.

   If you answer yes, you must attach to this application:
   a) written statement identifying the type of license , all parties involved (including their percentage of ownership, if any) and explaining the circumstances of each incident,
   b) copy of the Notice of Hearing or other document that states the charges and allegations, and
   c) copy of the official document which demonstrates the resolution of the charges or any final judgment.

3. Has any demand been made or judgment rendered against the business entity or any owner, partner, officer or director, or member or manager if a limited liability company, for overdue monies by an insurer, insured or producer, or have you ever been subject to a bankruptcy proceeding? Do not include personal bankruptcies, unless they involve funds held on behalf of others.. Yes ___ No X

   If you answer yes, submit a statement summarizing the details of the indebtedness and arrangements for repayment.

4. Has the business entity or any owner, partner, officer or director, or member or manager of a limited liability company, ever been notified by any jurisdiction to which you are applying of any delinquent tax obligation that is not the subject of a repayment agreement? Yes ___ No X

   If you answer yes, identify the jurisdiction(s): _____

5. Is the business entity or any owner, partner, officer or director a party to, or ever been found liable in any lawsuit or arbitration proceeding involving allegations of fraud, misappropriation or conversion of funds, misrepresentation or breach of fiduciary duty? Yes ___ No X

   If you answer yes, you must attach to this application:
   a) written statement summarizing the details of each incident,
   b) copy of the Petition, Complaint or other document that commenced the lawsuit arbitration or mediation proceedings and
   c) copy of the official document which demonstrates the resolution of the charges or any final judgment.

6. Has the business entity or any owner, partner, officer or director, or member or manager if a limited liability company, ever had an insurance agency contract or any other business relationship with an insurance company terminated for any alleged misconduct? Yes ___ No X

   If you answer yes, you must attach to this application:
   a) a written statement summarizing the details of each incident and explaining why you feel this incident should not prevent you from receiving an insurance license, and
   b) copies of all relevant documents.

7. Are you engaged in any unprofessional conduct as described in Utah Insurance Department Rule R590-186, Bail Bond Surety Companies? Yes ___ No X
   If you answer yes, you must attach to this application:
   a) a written statement summarizing the details of each incident and
   b) copies of all relevant documents (if necessary)

8. Have any of the person(s) named on this application willfully misstated or negligently reported any material fact in the application or procured a misstatement in the documents supporting the application? Yes ___ No X
   If you answer yes, you must attach to this application:
   a) a written statement summarizing the details
   b) copies of all relevant documents (if necessary)

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9. Have any of the person(s) named on this application been the subject of any outstanding civil judgment? Yes X No___

   If you answer yes, you must attach to this application:
   a) a written statement summarizing the details
   b) copies of all relevant documents (if necessary)

10. Have you failed to report, preserve, and retain separately, or return collateral taken as security on any bond to the principal, indemnitor, or depositor of such collateral? Yes ___ No X

    If you answer yes, you must attach to this application:
    a) a written statement summarizing the details
    b) copies of all relevant documents (if necessary)

11. Have any of the person(s) named on this application have an outstanding judgment on a bail forfeiture which judgment is or has been subject to execution? Yes X No___

    If you answer yes, you must attach to this application:
    a) a written statement summarizing the details
    b) copies of all relevant documents (if necessary)

12. Do the person(s) named on this application certify: They are doing business under one name in the State of Utah and comply with state and local business regulations, including filing with the appropriate authority if doing business under an assumed name? Yes X No___

    If you answer yes, you must attach to this application:
    a) a written statement summarizing the details
    b) copies of all relevant documents (if necessary)

13. Do the person(s) named on this application certify: They are the holders of real or personal property in Utah? Yes X No___

    If you answer yes, you must attach to this application:
    a) a written statement summarizing the details
    b) copies of all relevant documents (if necessary)

Applicant's Certification and Attestation

30. On behalf of the business entity or limited liability company, the undersigned owner, partner, officer or director of the business entity, or member or manager of a limited liability company, hereby certifies, under penalty of perjury, that:

1. All of the information submitted in this application and attachments is true and complete and I am aware that submitting false information or omitting pertinent or material information in connection with this application is grounds for license or registration revocation and may subject me and the business entity or limited liability company to civil or criminal penalties.
2. Unless provided otherwise by law or regulation of the jurisdiction, the business entity or limited liability company hereby designates the Commissioner, Director or Superintendent of Insurance, or an appropriate representative in each jurisdiction for which this application is made to be its agent for service of process regarding all insurance matters in the respective jurisdiction and agree that service upon the Commissioner or Director of that jurisdiction is of the same legal force and validity as personal service upon the business entity.
3. The business entity or limited liability company grants permission to the Commissioner or Director of Insurance in each jurisdiction for which this application is made to verify any information supplied with any federal, state or local government agency, current or former employer or insurance company.
4. Every owner, partner, officer or director of the business entity, or member or manager of a limited liability company, either a) does not have a current child-support obligation, or b) has a child-support obligation and is currently in compliance with that obligation.
5. I authorize the jurisdictions to give any information they may have concerning me to any federal, state or municipal agency, or any other organization and I release the jurisdictions and any person acting on their behalf from any and all liability of whatever nature by reason of furnishing such information.
6. I acknowledge that I understand and comply with the insurance laws and regulations of the jurisdictions to which I am applying for licensure/registration.
7. I hereby certify that upon request, I will furnish the jurisdiction(s) to which I am applying, certified copies of any documents attached to this application or requested by the jurisdictions(s).
8. **I hereby certify that I am the owner, partner, or officer of this named company; that all the information in this application is complete and true to the best of my knowledge and belief, and acknowledge that any misrepresentation or misstatement of facts may be cause for revocation of this license. By signing this application, I hereby authorize the commissioner to make inquiry of any person regarding this application.**

Must be signed by an officer, director, or partner of the business entity, or member or manager if a limited liability company:

March 29, 2016
Month/Day/Year

Signature

Gary R. Walton
Typed or Printed Name

General Manager
Title

268 E. 500 South, Salt Lake City, 84111
Address (City, State, Zip)

March 30, 2016

Utah Department of Insurance
State Office Building, Room 3110
Salt Lake City, Utah 84114

RE: Busy Bee Bonds Application

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#3 Forms are not submitted at this time. We are awaiting approval of application prior to printing.

#5 Gary Walton proclaims Utah based experience in excess of 70,000 hours.

PAGE 3

#2 Gary Walton and Beehive Bail Bonds was the focus of Enforcement Case 2951. Result was a fine and 18 month probation satisfactorily completed.

PAGE 4

#9 Over twenty years ago, St. George District Court entered some judgments against Beehive Bail Bonds and Gary And Nancy Walton. No collection effort was made until approximately 2010. M. Gale Lemmon with the Utah Attorney General's Office determined the judgments nil and void due to statute of limitations on civil debt. The reference is Utah Code section 78B.

#11 This question asks if any judgment <u>has been subject to execution</u>. I believe answer to #9 should suffice. Other than St. George, I may have had one forfeiture judgment referred to the Department of Insurance. I can't really recall.

#12 Documents already forwarded showing officers and registration.

#13 Gary and Nancy Walton, through either their family trust or personal names, hold title to eight residential properties within the State of Utah.