

**ARKANSAS PROFESSIONAL BAIL BOND COMPANY AND PROFESSIONAL
BAIL BONDSMAN LICENSING BOARD**

July 9, 2004

Chairman Don Smith called the meeting to order at 9:00 a.m.

Roll call was taken and the following members were present: Don Smith, Frank Sturgeon, Eugene Reynolds, Phyllis Carruth, Rex Morris, and Marc Oudin. Also present were Assistant Attorney General, Lori Freno, Executive Director, Tommy Reed, Board staff and members of the audience.

Following a review of the Board Minutes for June 11, Sturgeon moved to approve. Oudin seconded. The motion carried. (Note: due to technical difficulties no audio recording of the June 11 meeting is available)

OLD BUSINESS

License Approvals:

Nine (9) non-controversial license applications and one (1) non-controversial tentative license applications were submitted for Board approval. Oudin moved to approve the license applications as presented. Sturgeon seconded. The motion carried.

Controversial License transfers:

Three (3) controversial transfer applications were submitted – Eric Nathaniel, Rickey McKinney, Elizabeth Jean Frawley. Reed advised it was his opinion no action should be taken on the transfers due to the receipt of written notice the companies from which the agents were transferring objected to the transfer. Reed advised the Board the agents have a due process right to notice of the objections, to be made aware of the specific allegations forming the objection, and to be represented by counsel and respond to the specific objections. Therefore, the objecting parties were advised to submit their objections in writing to the Board in order that proper notice might be provided the transferring agents and a hearing be held to consider the objections.

Reynolds indicated he felt a need existed for a procedure whereby company owners could be advised of an agent's transfer request in order that company owners might register their objections, if any, to the transfer. Hatfield advised that the Board currently requires the agent provide either a letter of resignation addressed to the company or a statement from the company that the agent has been terminated before a transfer request is submitted. Reed indicated that, in the future, the Board would provide written notice to companies of the transfer request upon the Board's receipt of the transfer request.

Forfeitures:

Reed presented the Forfeiture Report for the Board's information and requested the Board's approval to suspend those licensees who failed to pay their forfeitures timely. Oudin moved to suspend any licensee whose forfeitures were not timely paid. Carruth seconded. The motion carried.

Reed presented the Past Due Forfeiture Report. Chairman Smith called for questions and/or discussion. There being none, the Board proceeded.

Bud Dennis Bonding Co., Inc.:

Reed presented a memo listing forfeitures and fees to be paid from the security deposit, including \$6,080 to the Arkansas Insurance Department and \$6,080 to the Arkansas Public Defenders

Commission. The total to be paid at this time equals \$28,367.77, leaving a security deposit balance of \$71,632.23.

Will Oliver/Liz Frawley's Bail Bonds:

The Board was presented with copies of three (3) memos related to the investigation ordered by the Board at the June 11, 2004 meeting. Reed advised that the matter would be set for a hearing for the August 13, 2004 Board meeting.

Ron Oliver submitted a company application indicating the company was now owned by him and Elizabeth Frawley. The application listed the name of the Company as "Oliver Bail Bonds, Inc." Reed indicated the Board could consider the application for approval of the change-of-ownership but consideration of the name change should be held until receipt of amended articles of incorporation indicating the name change. After discussion, Sturgeon moved the change-of-ownership application be accepted. Oudin seconded. The motion carried

City Bail Bonds, Inc.

A request to reduce the security deposit on file with the Board from the current level of \$57,000 to \$50,000 was presented. There was discussion regarding the required amount of security deposit, the unsecured bond liability limit, and the number and amount of unsecured bonds written. Reed advised that the company's unsecured bond liability amount was currently \$228,000 and that the company had written one (1) unsecured bond in the amount of \$1,000 in the first quarter of 2004 and had written no secured bonds during that period. Oudin moved to allow City Bail Bonds, Inc. to reduce its security deposit from \$57,000 to \$50,000. Reynolds seconded. The motion carried.

NEW BUSINESS

June Vouchers Paid:

Chairman Smith invited questions and/or discussion regarding the vouchers paid in May. There being none, the Board proceeded.

Public Comments:

Chairman Smith asked for Public Comments. There were none. Sturgeon moved the meeting be adjourned. Oudin seconded. The motion carried and the meeting was adjourned.

Submitted for approval:

This 13th day of August, 2004 _____
Don Smith, Chairman