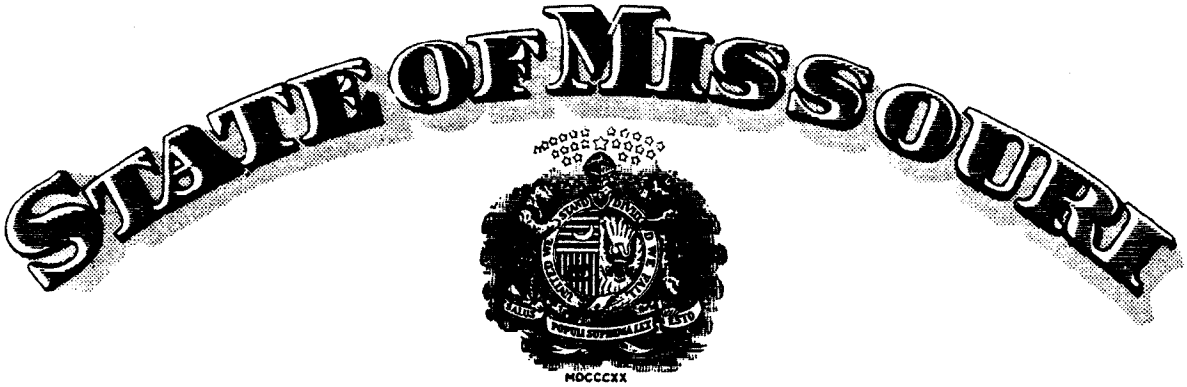


DEPARTMENT OF INSURANCE, FINANCIAL INSTITUTIONS AND PROFESSIONAL REGISTRATION

P.O. Box 690, Jefferson City, Mo. 65102-0690

IN RE:	**Regina Denise Muwwakkil**	)	
		)	
		)	**Case No. 07-1101379C**
SERVE:	Regina Denise Muwwakkil	)	
	3117 E. 11th Street	)	
	Kansas City, Missouri 64127	)	

ORDER TO CEASE AND DESIST

NOW THEREFORE, the Director after a hearing and in consideration of the full record in the matter, does hereby makes the following findings of fact, conclusions of law and order:

Procedural Background

1. On November 1, 2007, the Director issued an Order to Show Cause to Regina Denise Muwwakkil ("Muwwakkil") based upon the submission of a Statement of Charges by Tamara W. Kopp (f/k/a Tamara A. Wallace), counsel on behalf of the Consumer Affairs Division. The Statement of Charges requested a cease and desist order and other relief.

2. On January 4, 2008, the Director issued an Order to Cease and Desist and Hearing Order in this matter. Muwwakkil was served with a copy of the order by certified U.S. mail on January 7, 2008.

3. A hearing on costs and penalties was ordered to be held on February 27, 2008. Parties appeared for hearing. On that date the Cease and Desist Order was vacated and the matter was set for hearing on May 21, 2008.

4. On May 21, 2008, the matter came on for hearing. The Consumer Affairs Division appeared by counsel, Ms. Tamara Kopp, and Respondent, Regina Denise Muwwakkil, appeared by telephone and without counsel. Muwwakkil requested a continuance and the motion was denied. Evidence and arguments were presented.

Findings of Fact

5. The Director has the duty to administer Chapters 374, 375, and 379, RSMo,[1] which includes the supervision, regulation, and discipline of general bail bond agents, agencies, and their agents licensed to operate and to do business in the state of Missouri.

6. Regina Denise Muwwakkil is currently licensed by the Department of Insurance, Financial Institutions and Professional Registration as a general bail bond agent (License Number GB379215).

7. As a condition of licensure with the department as a general bail bond agent, each general bail bond agent is required, pursuant to §374.715.2, RSMo, and 20 CSR 700-6.200, to possess liquid assets of at least ten thousand dollars ($10,000.00) assignable to

[1] All statutory references are to the most current version of the Revised Statutes of Missouri, unless otherwise noted.

the department. The assignment becomes effective when the licensee violates any provision of sections 374.695 to 374.789, RSMo.

8. On September 7, 2007, the department received notice from Douglass National Bank that funds in the amount of ten thousand, two hundred fifty dollars and eighty-seven cents ($10,250.87), previously held at such bank under Certificate of Deposit number 22510 in the name of Regina D. Muwwakkil, had been forwarded to the Circuit Court of Jackson County, Missouri, by order of the same. The funds were no longer available to Muwwakkil or the department to satisfy her obligations under §374.715, RSMo.

9. On September 7, 2007, Matt Barton, department licensing section manager, contacted, by telephone, Muwwakkil and informed her that the department would be issuing a deadline of October 31, 2007, for her to secure a new certificate of deposit to replace the aforementioned certificate of deposit, its underlying funds having been forwarded to the Jackson County Court.

10. On October 31, 2007, Matt Barton contacted Muwwakkil to inquire about a replacement certificate of deposit. Muwwakkil confirmed that she had not secured a replacement certificate of deposit.

11. On December 21, 2007, Muwwakkil contacted the Investigations Section of the Consumer Affairs Division and requested additional time to secure a replacement certificate of deposit. At that time, Muwwakkil was clearly informed that neither she, nor her agents could lawfully write bail bonds until she secured a replacement certificate of deposit.

12. Between December 21, 2007 and January 4, 2008, Muwwakkil or her bail bond agents wrote at least seven (7) additional bail bond contracts without providing proof to the department of liquid assets of at least ten thousand dollars ($10,000.00) or without disclosing to the courts that she was no longer qualified as surety on any bail bond.

13. Muwwakkil offered no evidence of reasonable efforts to notify her bail bond agents that she had failed to provide proof to the department of liquid assets of at least ten thousand dollars ($10,000.00) and was no longer qualified as surety on any bail bond.

14. During 2007 and 2008, Muwwakkil incurred at least twenty-three thousand, eight hundred dollars ($23,800.00) in bond forfeiture judgments.

15. The department received notice from courts that Muwwakkil has accumulated in excess of seven thousand dollars ($7,000.00) in unsatisfied bond forfeiture judgments.

16. The department received multiple notices of unsatisfied bond forfeiture judgments within a thirty (30)-day period.

17. Muwwakkil does not possess liquid assets in the amount of ten thousand dollars ($10,000.00) assignable to department.

Conclusions of Law

18. Section 374.715.2, RSMo, states, in pertinent part:

> . . . each applicant for licensure as a general bail bond agent shall furnish proof satisfactory to the department that the applicant...possess[es] liquid assets of at least ten thousand dollars, along with a duly executed assignment of ten thousand dollars to the state of Missouri. The assignment shall become effective upon the applicant's violating any provision of sections 374.695 to 374.789.

The duty to furnish proof to the department of liquid assets of at least ten thousand dollars ($10,000.00) is a continuing obligation under the statute and writing surety without adequate liquid assets constitutes a violation of this section.

19. 20 CSR 700-6.200 Assignment and Acknowledgement clarifies the asset assignment requirements in §374.715, RSMo. 20 CSR 700-6.200(1) states, in pertinent part:

> The ten thousand dollar ($10,000) – or twenty-five thousand dollar ($25,000) - asset or assets required by sections 374.715, RSMo, shall be held in the name of the general bail bond agent with the state of Missouri, director of the Department of Insurance as assignee.

20. 20 CSR 700-6.250 Assignment of Additional Asset allows the director to require assignment of additional assets in certain circumstances:

> (1) The director may require the assignment of additional assets if:
> (A) The department receives notices from a court or courts that the general bail bond agent has accumulated seven thousand dollars ($7,000) in unsatisfied bond forfeiture judgments;
> (B) The department receives multiple notices of unsatisfied judgments within a thirty (30)-day period; . . .
>
> (2) In the event that the general bail bond agent receives notice from the department that the assignment of additional assets is required, the general bail bond agent shall obtain a Certificate of Deposit in the name of the general bail bond agent for the amount requested by the department. The original Certificate of Deposit, an Assignment, and a completed Acknowledgement of Assignment from the financial institution issuing the Certificate of Deposit shall be submitted to the department within twenty (20) working days of receipt of the notice by the general bail bond agent....

21. The jurisdiction of the Director to initiate and administer this proceeding is found in §374.755.4, RSMo, which provides:

> In addition to any other remedies available, the director may issue a cease and desist order ... pursuant to the provisions of section 374.046 whenever it appears that any person is ....violating any other provisions of section 374.695 to 374.789.

22. Section 374.046.1, RSMo, provides, in part:

> If the director determines based upon substantial and competent evidence that a person has engaged, is engaging in or has taken a substantial step toward engaging in an act, practice, omission, or course of business constituting a violation of the laws of this state relating to insurance in this chapter, chapter 354, RSMo, and chapters 375 to 385, RSMo, or a rule adopted or order issued pursuant thereto or that a person has materially aided or is materially aiding an act, practice, omission, or course of business constituting a violation of the laws of this state relating to insurance in this chapter, chapter 354, RSMo, and chapters 375 to 385, RSMo, or a rule adopted or order issued pursuant thereto, the director may order the following relief:
>
> (1) An order directing the person to cease and desist from engaging in the act, practice, omission, or course of business;
>
> (2) A curative order or order directing the person to take other action necessary or appropriate to comply with the insurance laws of this state;
>
> (3) Order a civil penalty or forfeiture as provided in section 374.049; and
>
> (4) Award reasonable costs of the investigation.

23. Section 374.049, RSMo, authorizes the Director to impose a monetary penalty or forfeiture of not more than one thousand dollars ($1,000.00) for each violation which resulted in actual financial loss to consumers or which was knowingly committed, but not to exceed an aggregate penalty of fifty thousand dollars ($50,000.00) per annum, unless the violation was committed in conscious disregard of the law, in which case the monetary penalty or forfeiture may be up to five thousand dollars ($5,000.00) per violation but not to exceed an aggregate penalty of one hundred thousand dollars ($100,000.00) per annum.

24. Muwwakkil's conduct, as described in the above findings of fact, constitutes seven (7) knowing violations of §374.715.2, RSMo, further clarified by 20 CSR 700-6.200.

ORDER

NOW, THEREFORE, IT IS HEREBY ORDERED that Regina Denise Muwwakkil, and any of the general bail bond agents officers, directors, managers, affiliates, agents, sub-agents, employees and all persons participating with them or acting in concert with them, whether in their names or other names or entities are prohibited from engaging in violations of §374.715, RSMo, clarified by 20 CSR 700-6.200, by transacting the business of bail bonding in this state without providing proof to the department that the licensee possess liquid assets of twenty-five thousand dollars ($25,000.00), along with a duly executed assignment of the same amount to the Missouri Department of Insurance, Financial Institutions and Professional Registration.

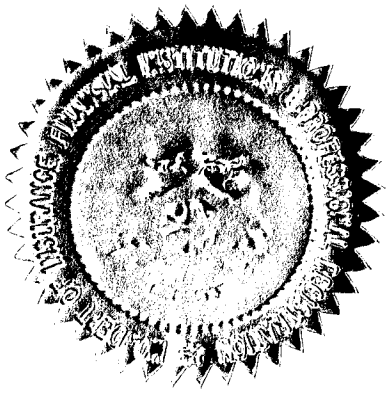
IT IS FURTHER ORDERED, that Regina Denise Muwwakkil shall pay investigations costs in the amount of five hundred forty-four dollars and sixteen cents ($544.16), as authorized by §374.046, RSMo, payable to the Insurance Dedicated Fund as reimbursement of costs associated with the investigation of this matter. Such payment shall be due within ten (10) business days of the effective date of this Order and payable by money order or cashier's check. If Regina Denise Muwwakkil fails to make the payment under the terms of this provision, the Director may pursue additional legal remedies to enforce this Order and collect the unpaid balance of this Order. All payments ordered above shall be delivered to the Department of Insurance, Financial Institutions and Professional Registration, Attention Tamara W. Kopp, Senior Enforcement Counsel,

P.O. Box 690, Jefferson City, Missouri 65102. Any correspondence and/ or checks shall reference the above cited case number.

IT IS FURTHER ORDERED, that Regina Denise Muwwakkil shall pay three thousand, five hundred dollars ($3,500.00) as a civil penalty for knowingly violating the insurance laws of this state, pursuant to sections 374.046 and 374.049, RSMo. Such payment shall be made payable to the treasurer of the state of Missouri and will be distributed by the department to the public schools as required by Article IX, section 7 of the Missouri Constitution. Such payment is due within ten (10) business days of the effective date of this Order and payable by money order or cashier's check. If Regina Denise Muwwakkil fails to make the payment under the terms of this provision, the Director may pursue additional legal remedies to enforce this Order and collect the unpaid balance of this Order. The civil penalty ordered above shall be delivered to the Department of Insurance, Financial Institutions and Professional Registration, Attention Tamara W. Kopp, Senior Enforcement Counsel, P.O. Box 690, Jefferson City, Missouri 65102. Any correspondence and/ or checks shall reference the above cited case number.

SO ORDERED.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of my office in Jefferson City, Missouri, this 23rd day of May, 2008.



Douglas M. Ommen
Director

CERTIFICATE OF SERVICE

The undersigned hereby certifies that a true and correct copy of the foregoing, including all attachments, was sent by certified mail, via the United States Postal Service on this 23rd day of May, 2008 to:

Regina Denise Muwwakkil
3117 E. 11th Street
Kansas City, Missouri 64127