



OFFICE OF INSURANCE REGULATION

KEVIN M. McCARTY
COMMISSIONER

IN THE MATTER OF:

AARON POWLESS, INDIVIDUAL SURETY
d/b/a SMALL BUSINESS FEDERAL BONDING

CASE NO.: 124454-12

CONSENT ORDER

THIS CAUSE came on for consideration upon agreement between AARON POWLESS, INDIVIDUAL SURETY, d/b/a SMALL BUSINESS FEDERAL BONDING, and the OFFICE OF INSURANCE REGULATION (hereinafter referred to as the "OFFICE"). Based on the representations made by the company and a complete review of the entire record, and upon consideration thereof, and being otherwise fully advised in the premises, the OFFICE hereby finds as follows:

1. The OFFICE has jurisdiction over the subject matter of, and parties to, this proceeding.
2. AARON POWLESS is an individual surety doing business as SMALL BUSINESS FEDERAL BONDING (hereinafter collectively referred to as "POWLESS"). POWLESS does not hold a certificate of authority from the OFFICE in any capacity.

3. The OFFICE conducted an investigation of POWLESS pursuant to Section 624.307, Florida Statutes. As a result of such investigation, the OFFICE determined that POWLESS violated Sections 624.401 and 624.11, Florida Statutes, by acting as a surety on private construction projects in the state of Florida without a license.
4. Because of the unique nature of this case, the OFFICE and POWLESS enter into this Consent Order to avoid delay and legal expense associated with protracted litigation.
5. POWLESS expressly waives a hearing in this matter and the making of Findings of Fact and Conclusions of Law by the OFFICE, and all further and other proceedings herein to which the parties may be entitled by law or rules of the OFFICE. POWLESS hereby knowingly and voluntarily waives all rights to challenge or to contest this Consent Order, in any forum now or in the future available to it, including the right to any administrative proceeding, circuit or federal court action, or any appeal.
6. POWLESS agrees that upon the execution of this Consent Order, POWLESS shall be subject to the following terms and conditions:
 - a. POWLESS shall cease and desist from engaging in the activities of a surety on private, municipal or state government construction projects in or from the state of Florida until such time it is duly licensed by the OFFICE.
 - b. POWLESS shall pay an administrative penalty of fifteen thousand dollars (\$15,000) and administrative costs of three thousand dollars (\$3,000). Payments of one thousand dollars (\$1,000) shall be made to the OFFICE every thirty days, beginning within thirty days of the execution of this Consent Order, until such

time as all administrative penalties and costs are paid in full. Failure to pay an installment by the due date shall result in the entire remaining balance being due within thirty days of the default date.

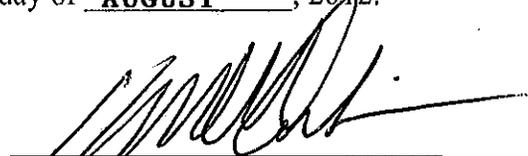
7. POWLESS is hereby placed on notice of the requirements of the above-referenced sections of law and agrees that any future violations of these sections may be deemed willful and subject to appropriate penalties.
8. POWLESS agrees that failure to adhere to one or more of the above terms and conditions of this Consent Order shall constitute a violation of a lawful order of the OFFICE, and shall subject POWLESS to such administrative action as the OFFICE may deem appropriate.
9. Except as noted above, each party to this action shall bear its own costs and attorney's fees.

WHEREFORE, the agreement between POWLESS and the OFFICE, the terms and conditions of which are set forth above, is APPROVED.

FURTHER, all terms and conditions above are hereby ORDERED.

DONE AND ORDERED this 27TH day of AUGUST, 2012.





KEVIN M. MCCARTY
Commissioner
Office of Insurance Regulation

By execution hereof, AARON POWLESS, INDIVIDUAL SURETY, D/B/A SMALL BUSINESS FEDERAL BONDING consents to entry of this Consent Order, agree without reservation to all of the above terms and conditions, and shall be bound by all provisions herein. The undersigned represents that he or she has the authority to bind AARON POWLESS, INDIVIDUAL SURETY, D/B/A SMALL BUSINESS FEDERAL BONDING to the terms and conditions of this Consent Order.

**AARON POWLESS, INDIVIDUAL SURETY,
D/B/A SMALL BUSINESS FEDERAL
BONDING**

By: *Aaron Powless*

Print Name: Aaron Powless

Title: Individual

Date: 8-14-12

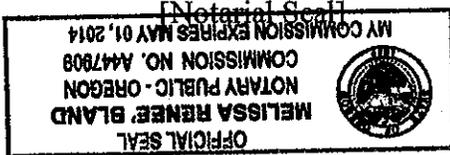
Corporate Seal

STATE OF Oregon
COUNTY OF Klamath

The foregoing instrument was acknowledged before me this 14 day of August 2012, by Aaron Powless, who is personally known to me or has produced the following identification Oregon driver license.

Melissa R Bland
Signature of Notary

Melissa R Bland
Print or Type Name



My Commission Expires: May, 01, 2014

COPIES FURNISHED TO:

Aaron Powless, Individual Surety
d/b/a Small Business Federal Bonding
223 North Spring Street
Klamath Falls, Oregon 97601

Jim Pafford, Director
Florida Office of Insurance Regulation
Market Investigations
200 East Gaines Street
Tallahassee, Florida 32399-4210

Monica T. Ross, Assistant General Counsel
Florida Office of Insurance Regulation
Legal Services Office
200 East Gaines Street
Tallahassee, Florida 32399-4206



FINANCIAL SERVICES
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AGRICULTURE

OFFICE OF INSURANCE REGULATION

KEVIN M. McCARTY
COMMISSIONER

INVOICE

ADMINISTRATIVE PENALTY IMPOSED BY CONSENT ORDER

In order to ensure that your payment is received and properly credited, please make your check payable to the Florida Department of Financial Services and **return this invoice with your payment** to:

Department of Financial Services
Revenue Processing Section
P.O. Box 6100
Tallahassee, Florida 32314-6100

REFERENCE

NAME: AARON POWLESS, INDIVIDUAL SURETY
d/b/a SMALL BUSINESS FEDERAL BONDING
ADDRESS: 223 North Spring Street
CITY, STATE, ZIP: Klamath Falls, Oregon 97601
FEIN:
NAIC COCODE:
CASE #: 124454-12
ATTORNEY: Bruce Culpepper
SOURCE: Market Investigations – SBS#17144 (UE)

Fine Due: \$ 15,000.00
Costs Due: \$ 3,000.00
Total Amount Due: \$ 18,000.00

Amount Remitted:

OFFICIAL USE ONLY – PLEASE DO NOT MARK BELOW THIS LINE]

<u>B/T</u>	<u>T/C</u>	<u>F/T</u>	<u>AMOUNT</u>
C	1105	J	\$
C	1249	J+	\$