

BEFORE THE INSURANCE COMMISSIONER OF THE  
STATE OF OKLAHOMA



IN RE: Examination of BRISTOL )  
WEST INSURANCE COMPANY ) Case No. 11-0119-DIS  
(Limited Scope Market )  
Conduct Examination) )

**NOTICE OF RIGHT TO HEARING WITH CONDITIONAL ORDER OF  
DISCIPLINARY ACTION**

COMES NOW the State of Oklahoma, ex rel. John Doak, Insurance Commissioner, and issues this Notice of Right to Hearing with Conditional Order of Disciplinary Action against Bristol West Insurance Company ("the Company") based upon the following:

**JURISDICTION**

1. John Doak is the Insurance Commissioner of the State of Oklahoma and as such is charged with the duty of administering and enforcing all provisions of the Oklahoma Insurance Code, 36 O.S. §§ 101-7204.

2. The Company is an insurer authorized to transact property, casualty, (including vehicle) accident & health insurance in the State of Oklahoma pursuant to Certificate of Authority Number 8620 (NAIC CoCode 19658).

**FINDINGS OF FACT**

1. On or around October 25, 2010, the verified Report of Examination (Limited Scope Market Conduct) of the Company was filed with the Oklahoma Insurance Department for the period of January 1, 2007 through December 31, 2009.

2. The Company was afforded a period of twenty (20) days within which to submit a response to the Oklahoma Insurance Department concerning matters contained in the Report of

Examination (Limited Scope Market Conduct) pursuant to Section 309.4(B) of Title 36 of the laws of the State of Oklahoma. The Company did not respond within the allotted time.

3. On November 29, 2010, the Insurance Commissioner entered an Order Adopting Report of Examination (Limited Scope Market Conduct) in Case Number 10-1404-EXM. The findings of facts and conclusions of law adopted in that Order made a determination that the Company had violations of the Oklahoma Insurance Code relating to a failure to have appointments for agents and adjusters. Specifically, the Company had thirty-seven (37) agents and agencies which had no Company appointment and/or no license from the Oklahoma Insurance Department but, nevertheless, wrote a total of 2,054 policies in violation of 36 O.S. § 1421 et seq. The Company handles claims through adjusters and had four (4) adjusters handling 652 claims without an Oklahoma license in violation of 36 O.S. § 6201 et seq. On January 21, 2011, the Company sent the Insurance Commissioner an email with attached materials explaining (1) the steps the Company has taken to remediate the existing problem of the unappointed and/or unlicensed agents and adjusters, and (2) the protocol it will follow in the future to ensure compliance with the Oklahoma Insurance Code in this regard.

4. The Company did not file a Petition for Judicial Review of the Order Adopting Report of Examination in the District Court of Oklahoma County within thirty (30) days of receipt of that Order.

5. This Order informs the Company of disciplinary action taken by the Oklahoma Insurance Commissioner against the Company for violations as described in the findings of fact and conclusions of law set out in the Order Adopting Report of Examination in Case Number 10-1404-EXM and in this Notice of Hearing and Conditional Order of Disciplinary Action.

## CONCLUSIONS OF LAW

1. Pursuant to 36 O.S. § 619, and other applicable provisions of the Oklahoma Insurance Code, the Insurance Commissioner has the authority to assess a civil penalty or revoke, suspend, or refuse to renew the insurer's certificate of authority if the insurer is found by the Insurance Commissioner to have violated any provision of the Insurance Code.

2. On November 29, 2010, the Insurance Commissioner entered the Order Adopting Report of Examination in Case Number 10-1404-EXM. The findings of facts and conclusions of law adopted in this Order determining that the Company had violations of the Oklahoma Insurance Code relating to a failure to have appointments for agents and adjusters. Specifically, the Company had thirty-seven (37) agents and agencies which had no Company appointment and/or no license from the Oklahoma Insurance Department but, nevertheless, wrote a total of 2,054 policies in violation of 36 O.S. § 1421 et seq. The Company handles claims through adjusters and had four (4) adjusters handling 652 claims without an Oklahoma license in violation of 36 O.S. § 6201 et seq. On January 21, 2011, the Company sent the Insurance Commissioner an email with attached materials explaining (1) the steps the Company has taken to remediate the existing problem of the unlicensed and/or unappointed agents and adjusters, and (2) the protocol it will follow in the future to ensure compliance with the Oklahoma Insurance Code in this regard.

3. The Insurance Commissioner has factored such corrective actions into the conditional disciplinary action ordered here.

4. Therefore, the Insurance Commissioner makes a conclusion of law that, pursuant to 36 O.S. § 619, and other applicable provisions of the Insurance Code, and considering the nature and scope of the violations and the Company's remediation measures, that the Company

should be assessed a civil penalty in the amount of Six Thousand One Hundred and Fifty Dollars (\$6,150). The Commissioner arrived at this fine amount as follows: multiplying the thirty-seven (37) agent violations and the four (4) adjuster violations by \$150 each for a total of \$6,150.

**ORDER**

**IT IS THEREFORE ORDERED** that the Company is assessed a civil penalty by the Oklahoma Insurance Commissioner in the amount of Six Thousand One Hundred Fifty Dollars (\$6,150) unless within thirty (30) days from receipt of this Notice of Hearing and Conditional Order of Disciplinary Action the Company requests in writing a hearing on the issuance of said civil penalty. If no hearing is requested, the issuance of the civil penalty shall become effective and payment shall be due by the Company at the end of said thirty (30) day period without further action by the Oklahoma Insurance Department. Any request for hearing should be directed to Kelley Callahan, Senior Attorney, Oklahoma Insurance Department, Five Corporate Plaza, 3625 N.W. 56<sup>th</sup>, Suite 100, Oklahoma City, OK 73112.

WITNESS My Hand and Official Seal this 26<sup>th</sup> day of January, 2011.



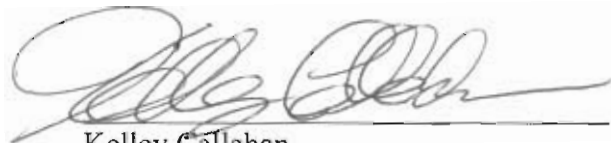
  
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PAUL WILKENING  
Deputy Insurance Commissioner of Administration  
Oklahoma Insurance Department

**CERTIFICATE OF MAILING**

I, Kelley Callahan, hereby certify that a true and correct copy of the above foregoing Notice of Hearing and Conditional Order of Disciplinary Action was mailed postage prepaid with return receipt requested on this 27<sup>th</sup> day of January, 2011, to:

Mr. Robert Sadler, President  
Bristol West Insurance Company  
5701 Stirling Road  
Davie, FL 33314

and that a copy was delivered to Mathangi Shankar, Chief Financial Examiner, Oklahoma Insurance Department Financial and Examination Division.

A handwritten signature in black ink, appearing to read 'Kelley Callahan', written over a horizontal line.

Kelley Callahan  
Senior Attorney

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Postage \$	
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage	Mr. Robert Sadler, President Bristol West Insurance Co. 5701 Stirling Road Davie, FL 33314 sms/11-0119-DIS/Not of Right
Sent To	
Street, Apt. No. or PO Box No	
City, State, Zi	

PS Form 3800, August 2006 See Reverse for Instructions

**SENDER: COMPLETE THIS SECTION**

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Mr. Robert Sadler, President  
 Bristol West Insurance Co.  
 5701 Stirling Road  
 Davie, FL 33314  
 sms/11-0119-DIS/Not of Right

**COMPLETE THIS SECTION ON DELIVERY**

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B. Received by (Printed Name)  Agent  Addressee

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2. Article Number

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