

**BEFORE THE INSURANCE COMMISSIONER
STATE OF OKLAHOMA**

FILED

OCT 24 2011

INSURANCE COMMISSIONER
OKLAHOMA

STATE OF OKLAHOMA, *ex rel.*)
JOHN D. DOAK,)
Insurance Commissioner,)
)
Plaintiff,)
)
vs.)
)
PHARMACISTS MUTUAL INSURANCE)
COMPANY, a foreign insurance company)
)
Respondent.)

Case No. 11-0980-DIS

**CONDITIONAL ADMINISTRATIVE ORDER AND
NOTICE OF RIGHT TO BE HEARD**

COMES NOW the State of Oklahoma *ex rel.* John D. Doak, Insurance Commissioner, by and through his attorney, Natasha M. Scott, and states as follows:

JURISDICTION AND NOTICE OF RIGHT TO BE HEARD

1. The Insurance Commissioner is charged with the duties of administering and enforcing the provisions of the Oklahoma Insurance Code found at 36 O.S. §§ 101-7301.
2. Pharmacist Mutual Insurance Company (“Respondent”) is a licensed foreign insurance company, holding Oklahoma certificate of authority number 860214 and NAIC number 13714.
3. Respondent has the right to request a hearing. A request for a hearing must be made in writing and should state the basis for the requested relief. OKLA. ADMIN. CODE 365:1-7-1(a). Upon receipt of a written request for a hearing, the Insurance Commissioner shall either set the matter for hearing within thirty (30) days

from receipt of the written request or shall deny the request by written order. OKLA. ADMIN. CODE 365:1-7-1(b). If a hearing is requested, the Insurance Commissioner will appoint an independent hearing examiner who shall sit as a quasi-judicial officer and preside over the hearing. OKLA. STAT. tit. 36, § 319.

ALLEGATIONS OF FACT

1. In September 2011, Respondent submitted a form filing to the Rate and Form Compliance Division of the Oklahoma Insurance Department (“Department”) under SERFF tracking number PHAR-127343500. The filing included revisions to Respondents Homeowners Declaration Page.

2. During review of the filing, it was discovered that the Homeowners Declaration Page had not been filed prior to use.

3. The unfiled form was included in four hundred forty-two (442) Oklahoma homeowners’ policies.

4. The form has been approved by the Rate and Form Compliance Division as of September 28, 2011.

ALLEGED VIOLATIONS OF LAW

5. Respondent’s conduct described above is in violation of 36 O.S. § 3610. This Section states, in pertinent part, that “[n]o insurance policy form or application form, where written application is required and is to be made a part of the policy . . . and such other insurance policy forms as are hereinafter specifically otherwise provided for shall be issued, delivered, or used unless filed with and approved by the Insurance Commissioner.” OKLA. STAT. tit. 36, § 3610(A).

ORDER

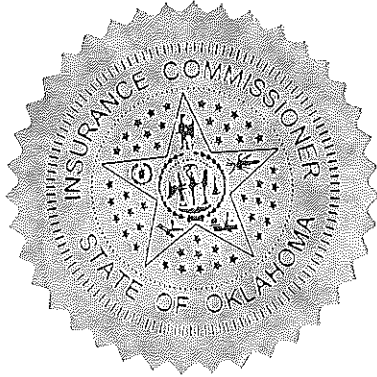
IT IS THEREFORE ORDERED by the Insurance Commissioner that Respondent has violated 36 O.S. § 3610 and that Respondent is **CENSURED** for its conduct.

IT IS FURTHER ORDERED that in the future, Respondent will comply with the Oklahoma Insurance Code, 36 § 101 et seq., and will file all insurance policy forms for approval by the Insurance Commissioner in accord with the relevant statutory provisions. Further, Respondent shall implement proper procedures to ensure compliance with 36 O.S. § 3610 to ensure that similar conduct does not again occur.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED by the Insurance Commissioner that this Order is a Conditional Order. Unless Respondent requests a hearing with respect to the Allegations of Fact set forth above within thirty (30) days of the date of mailing of this Order, this Order and the penalties set forth above shall become a Final Order on the thirty-first day following the date of mailing of this Order. If a hearing is desired, the request shall be made in writing, addressed to Natasha M. Scott, Oklahoma Insurance Department, Legal Division, 3625 N.W. 56th Street, Suite 100, Oklahoma City, Oklahoma 73112 and must be served upon the Oklahoma Insurance Department within thirty (30) days of the date of mailing of this Order. The hearing will be conducted in accordance with the Oklahoma Insurance Code, 36 O.S. §§ 101-7135, and the Oklahoma Administrative Procedures Act, 75 O.S. §§ 250-323. If Respondent serves a timely request for hearing on the Oklahoma Insurance Department, this Conditional Order shall act as a notice of the matters to be reviewed at the hearing, and the Allegations of Fact, Alleged Violations of Law, and penalty imposed in this

Conditional Order shall be considered withdrawn, pending final resolution of this matter through hearing.

WITNESS My Hand and Official Seal this 24th day of October 2011.



JOHN D. DOAK
INSURANCE COMMISSIONER
STATE OF OKLAHOMA

A handwritten signature in cursive script, appearing to read "Natasha M. Scott", written over a horizontal line.

Natasha M. Scott
Assistant General Counsel
Oklahoma Insurance Department
5 Corporate Plaza
3625 NW 56th St., Suite 100
Oklahoma City, Oklahoma 73107
Tel: (405) 521-2746
Fax: (405) 522-0125

CERTIFICATE OF MAILING

On this 24th day of October 2011, a true and correct copy of the above and foregoing *Conditional Administrative Order and Notice of Right to Be Heard* was mailed, via certified mail, to:

Jen Swift, Forms Analyst
P.O. Box 370
Algona, IA 50511

A handwritten signature in cursive script, appearing to read "Natasha M. Scott", written over a horizontal line.

Natasha M. Scott

7008 1830 0003 9411 3684

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Sent To: Jen Swift, Forms Analyst
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 Algona, IA 50511
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PS Form 3800, August 2006 See Reverse for Instructions



| SENDER: COMPLETE THIS SECTION | COMPLETE THIS SECTION ON DELIVERY |
|--|--|
| <ul style="list-style-type: none"> 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. | <p>A. Signature <input type="checkbox"/> Agent <input checked="" type="checkbox"/> Addressee <i>Debi Hansen</i></p> <p>B. Received by (Printed Name) <input type="checkbox"/> C. Date of Delivery <i>Debi Hansen 10-26-11</i></p> <p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No, enter delivery address below:</p> |
| <p>1. Article Addressed to:</p> <p>Jen Swift, Forms Analyst P.O. Box 370 Algona, IA 50511 sms/11-0980-DIS/Cond. Ord.</p> | <p>RECEIVED, enter delivery address below:</p> <p>OKLAHOMA INSURANCE DEPARTMENT NOV 01 2011 Legal Division</p> <p> <input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D. </p> |
| <p>2. Article Number (Transfer from service label)</p> <p>7008 1830 0003 9411 3684</p> | <p>4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes</p> |