

BEFORE THE INSURANCE COMMISSIONER OF THE
STATE OF OKLAHOMA

FILED
APR 27 2012
INSURANCE COMMISSIONER
OKLAHOMA

STATE OF OKLAHOMA, ex rel. JOHN D. DOAK, Insurance Commissioner,
Petitioner,
v.
KELSEY NATIONAL CORPORATION,
a nonresident third party administrator,
Respondent.

Case No. 12-0376-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, Julie Meaders, and alleges and states as follows:

JURISDICTION

1. John D. Doak is the Insurance Commissioner of the State of Oklahoma and is charged with the duty of administering and enforcing all provisions of the Oklahoma Insurance Code, 36 O.S. §§ 101 et seq.
2. Kelsey National Corporation is licensed by the State of Oklahoma as a nonresident third-party administrator holding license 863119. Its address of record is 3030 S. Bundy Drive, Los Angeles, California 90066.
3. The Commissioner may either suspend or revoke a third-party administrator's license or assess a civil penalty of not more than Five Thousand Dollars (\$5,000.00) for each occurrence of a violation of any of the provisions of the Oklahoma Insurance Code. 36 O.S. § 1450(G).

ALLEGATIONS OF FACT

1. Respondent's Oklahoma third party administrator license lapsed on June 30, 2011. Respondent thereafter failed to submit a reinstatement application for licensure until April 5, 2012.

2. Any person who is acting as or presenting himself to be an administrator without a valid license shall be subject, upon conviction, to a fine of not less than One Thousand Dollars (\$1,000.00) nor more than Ten Thousand Dollars (\$10,000.00) for each occurrence. 36 O.S. § 1450(H).

ALLEGED VIOLATIONS OF LAW

1. Respondent is in violation of 36 O.S. § 1450(H) for acting as or presenting itself as a third party administrator in Oklahoma without a valid license.

ORDER

IT IS THEREFORE ORDERED by the Insurance Commissioner that Kelsey National Corporation is **FINED ONE THOUSAND DOLLARS (\$1,000.00)** for operating without a license. **The \$1,000.00 fine is to be paid within thirty (30) days** made payable to the Oklahoma Insurance Department.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED by the Insurance Commissioner that this Order is a Conditional Order. Unless the 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 this Order. A request for hearing should be in writing addressed to Julie Meaders, Oklahoma Insurance Department, Legal Division, 3625 NW

56th Street, Oklahoma City, Oklahoma 73112. The request for hearing must state the grounds for the request to set aside or modify the Order.

Any such hearing shall be conducted according to the procedures for contested cases under the Insurance Code and 75 O.S. § 250-323. If the Respondent serves a timely request for hearing on the Oklahoma Insurance Department, this Conditional Order shall act as notice of the matters to be reviewed at the hearing, and the Allegations of Fact, Alleged Violations of Law, and penalties imposed in this Conditional Order shall be considered withdrawn, pending final resolution at the hearing.

WITNESS My Hand and Official Seal this 27th day of April, 2012.



JOHN D. DOAK
INSURANCE COMMISSIONER
STATE OF OKLAHOMA

Julie Meaders
Julie Meaders
Assistant General Counsel
3625 N.W. 56th Street
Oklahoma City, OK 73112
Telephone: (405) 521-2746
Facsimile: (405) 522-0125

CERTIFICATE OF MAILING

I, Julie Meaders, hereby certify that a true and correct copy of the above and foregoing Conditional Administrative Order and Notice of Right to be Heard was mailed by certified mail with postage prepaid and return receipt requested on this 21st day of April, 2012
to:

Kelsey National Corporation
3030 S. Bundy Drive
Los Angeles, CA 90066

CERTIFIED MAIL NO: 7006 2760 0005 6606 3725

and a copy was delivered to:

DeAnn Robinson/Financial Division



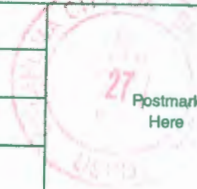
JULIE MEADERS
ASSISTANT GENERAL COUNSEL

U.S. Postal Service™
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OFFICIAL USE

7006 2760 0005 6606 3725

Postage	\$	
Certified Fee		
Return Receipt Fee (Endorsement Required)		
Restricted Delivery Fee (Endorsement Required)		
Total Postage		
Sent To	Kelsey National Corporation 3030 S. Bundy Drive Los Angeles, CA 90066	
Street, Apt. No., or PO Box No.	12-0376-DIS/JAM(mt)Con.Admin.Ord.	
City, State, ZIP+4		

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 checked="" type="checkbox"/> <i>Sandy Ramo</i> <input type="checkbox"/> Agent <input type="checkbox"/> Addressee</p> <p>B. Received by (Printed Name) <i>Sandy Ramo</i></p> <p>C. Date of Delivery <i>5/11/12</i></p> <p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No</p> <p style="text-align: center;">OKLAHOMA INSURANCE DEPARTMENT MAY 08 2012</p>
<p>1. Article Addressed to:</p> <div style="border: 1px solid black; padding: 5px; margin: 10px 0;"> <p>Kelsey National Corporation 3030 S. Bundy Drive Los Angeles, CA 90066</p> <p>12-0376-DIS/JAM(mt)Con.Admin.Ord.</p> </div>	<p>3. Service type <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>4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes</p>
<p>7006 2760 0005 6606 3725</p>	

PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-1540