

BEFORE THE INSURANCE COMMISSIONER OF THE
STATE OF OKLAHOMA

FILED

NOV 05 2014

INSURANCE COMMISSIONER
OKLAHOMA

STATE OF OKLAHOMA, ex rel. JOHN D. DOAK,)
Insurance Commissioner,)

Petitioner,)

vs.)

Case No. 14-1047-DIS

INDIANA LUMBERMENS MUTUAL)

INSURANCE COMPANY, an admitted insurer in)
the State of Oklahoma authorized to act as a bail)

surety company,)

Respondents.)

ORDER AND NOTICE OF RIGHT TO HEARING

COMES NOW the State of Oklahoma, ex rel. John D. Doak, Insurance Commissioner, by and through Counsel Dan R. Byrd and alleges and states as follows:

JURISDICTION

1. John D. 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. §§ 101-7301, and the Oklahoma Bail Bond Act, 59 O. S. §§ 1301-1340.

2. Respondent Indiana Lumbermens Mutual Insurance Company (“ILMIC”) is an insurance company licensed to act as bail surety in the State of Oklahoma holding NAIC number 14265.

FINDINGS OF FACT

1. O.A.C. 365: 25-5-41(c) provides that an insurer’s outstanding liability shall not exceed a ten-to-one (10:1) ratio of outstanding liability-to-special deposit.

2. ILMIC's outstanding liability has exceeded the ten-to-one (10:1) ratio of outstanding liability-to-special deposit in April, June, July, August, October, November and December of 2013, and May, June, July and August of 2014.

CONCLUSIONS OF LAW

1. The allegations are found to be true and correct, and ILMIC has violated O.A.C. 365:25-25-41(c) by allowing its outstanding liability to exceed the ten-to-one (10:1) ratio of outstanding liability-to-special deposit in April, June, July, August, October, November and December of 2013, and May, June, July and August of 2014.

2. Respondent has violated 59 O.S. § 1310(A)(2) by violating a law of this state relating to bail.

3. Pursuant to 59 O.S. § 1310(B), any bondsman or company violating a provision of the Bail Bond Act, 59 O.S. §§ 1301-1340, may be subject to a fine of not less than Two Hundred Fifty Dollars (\$250.00), but not more than Two Thousand Five Hundred Dollars (\$2,500.00).

ORDER

IT IS THEREFORE ORDERED that Indiana Lumbermens Mutual Insurance Company is **CENSURED** and **FINED** Two Thousand Five Hundred Dollars (\$2,500.00) due and payable to the Oklahoma Insurance Department within thirty (30) days of the date of this Order.

IT IS FURTHER ORDERED that Indiana Lumbermens Mutual Insurance Company shall increase the amount of its existing deposit with the State by Five Hundred Thousand Dollars (\$500,000.00) within thirty (30) days of receipt of this Order.

Respondent is further notified that it may request a hearing within thirty (30) days of the receipt of this Order concerning this action, and upon such request, the Oklahoma Insurance

Department shall conduct a hearing before an independent hearing examiner. A request for hearing shall be made in writing to Dan R. Byrd, Assistant General Counsel, Oklahoma Insurance Department, Legal Division, 3625 NW 56th Suite 100, Oklahoma City, Oklahoma 73112 and **give an explanation of Respondents' actions alleged herein and any defenses thereto.**

If Respondent fails to pay the fine, increase the amount of its existing deposit with the State by Five Hundred Thousand Dollars (\$500,000.00), or request a hearing within the thirty (30) days allotted, this Order shall become a FINAL ORDER on the 31st day following the receipt of the Order, Respondent's license shall be SUSPENDED and the fines ordered herein shall be due.

WITNESS My Hand and Official Seal this 5th day of November, 2014.

JOHN D. DOAK
INSURANCE COMMISSIONER
STATE OF OKLAHOMA






Dan R. Byrd
Assistant General Counsel
3625 NW 56th Street, Suite 100
Oklahoma City, Oklahoma, 73112
Tel. (405) 522-6330
Fax (405) 522-0125

CERTIFICATE OF MAILING

I 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 certified, return receipt requested, on this 2nd day of November, 2014, to:

Indiana Lumbermens Mutual
Insurance Company
8888 Keystone Crossing, Ste 250
Indianapolis, IN 46240



Dan R. Byrd

U.S. Postal Service™
CERTIFIED MAIL™ RECEIPT
 (Domestic Mail Only; No Insurance Coverage Provided)

For delivery information visit our website at www.usps.com

OFFICIAL USE

7014 0150 0001 9588 5143

Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage	



Sent To
 Indiana Lumbermens Mutual Ins Co
 888 Keystone Crossing, Suite 250
 Indianapolis, IN 46240
 sms/14-1047-DIS/Ord & Notice

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:

Indiana Lumbermens Mutual Ins Co
 888 Keystone Crossing, Suite 250
 Indianapolis, IN 46240
 sms/14-1047-DIS/Ord & Notice

COMPLETE THIS SECTION ON DELIVERY

A. Signature
Annette Blaukonship Agent Addressee

B. Received by (Printed Name)
Annette BLAUKONSHIP

C. Date of Delivery
 NOV 13 2014

D. Is delivery address different from item 1? Yes
 If YES, enter delivery address below: No

RECEIVED
 OKLAHOMA INSURANCE DEPARTMENT

3. Service Type
 Certified Mail Express Mail
 Registered Return Receipt for Merchandise
 Insured Mail C.O.D.

4. Restricted Delivery? (Extra Fee) Yes

2. Article Number (Transfer from service label) 7014 0150 0001 9588 5143