

**BEFORE THE INSURANCE COMMISSIONER OF THE
STATE OF OKLAHOMA**

STATE OF OKLAHOMA, ex rel. JOHN D.)
DOAK, Insurance Commissioner,)
Petitioner,)
vs.)
OBI NATIONAL INSURANCE COMPANY, a)
licensed insurance company doing business in the)
State of Oklahoma,)
Respondent.

Case No. 15-0693-DIS

FILED
JUN 19 2015
INSURANCE COMMISSIONER
OKLAHOMA

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 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 85A O. S. § 31(D) of the Administrative Workers' Compensation Act.

2. Respondent OBI National Insurance Company ("Respondent") is a licensed insurance company doing business in the State of Oklahoma holding NAIC number 14190.

FINDINGS OF FACT

1. 85A O.S. § 31(D) provides that "Any mutual or interinsurance association, stock company, or other insurance company, which is subject to regulation by the Insurance Commissioner, or CompSource Oklahoma failing to make payments required in this act promptly and correctly, and failing to report payment of the same to the Insurance Commissioner within ten (10) days of payment shall be subject to administrative penalties as allowed by law, including but not limited to a fine in the

amount of Five Hundred Dollars (\$500.00) or an amount equal to one percent (1%) of the unpaid amount, whichever is greater, to be paid to the Insurance Commissioner.”

2. On Wednesday, May 6, 2015, the Oklahoma Insurance Department (“Department”) sent a Notice Of Potential Penalty via e-mail to Respondent advising Respondent that the Department had not received the Workers’ Compensation Multiple Injury Trust Fund Assessment Report filing required by 85A O.S. § 31(D) for the Quarter ending 3/31/2015 (the “Notice”). A copy of the Notice of Potential Penalty for the Quarter ending 3/31/2015 is attached hereto and incorporated by reference as Exhibit “1”.

3. The Notice advised Respondent that the Department was giving it the opportunity to correct the non-compliance by immediately providing the Department with (a) a copy of the WC-10 MITF Assessment Report (includes zero premium reports) for the applicable quarter(s) filed with the Oklahoma Tax Commission, and (b) a copy of the applicable quarter(s) check(s) (if payment was due) that was paid to the Oklahoma Tax Commission.

4. The Notice further advised Respondent to provide the documents referenced above within 15 days by e-mail (Jeanette.pearce@oid.ok.gov), by fax (405-522-2640) or mail to: Oklahoma Insurance Department, ATTN: Financial Division, 3625 NW 56th St. Ste. 100, Oklahoma City, OK 73112-4511.

5. Finally the Notice informed Respondent that should a violation of Title 85A O.S. § 31(D) be confirmed by the Department, Respondent will be subject to administrative penalties as allowed by law, including but not limited to a fine in the amount of Five Hundred Dollars (\$500.00) or an amount equal to one percent (1%) of the unpaid amount, whichever is greater, to be paid to the Insurance Commissioner.

6. Respondent filed its report of payment to the Department as required by 85A O.S. § 31(D) for the quarter ending 3/31/2015 late on May 27, 2015.

CONCLUSIONS OF LAW

1. Respondent has violated 85A O.S. § 31(D) for failing to report payment to the Department as required by 85A O.S. § 31(D) and submit the requested documents to the Department.

2. Pursuant to 85A O.S. § 31(D), “Any mutual or interinsurance association, stock company, or other insurance company, which is subject to regulation by the Insurance Commissioner, or CompSource Oklahoma failing to make payments required in this act promptly and correctly, and failing to report payment of the same to the Insurance Commissioner within ten (10) days of payment shall be subject to administrative penalties as allowed by law, including but not limited to a fine in the amount of Five Hundred Dollars (\$500.00) or an amount equal to one percent (1%) of the unpaid amount, whichever is greater, to be paid to the Insurance Commissioner.”

ORDER

IT IS THEREFORE ORDERED that OBI National Insurance Company is **FINED** Five Hundred Dollars (\$500.00).

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, Oklahoma Insurance Department, Legal Division, 3625 NW 56th St., Suite 100, Oklahoma City, Oklahoma 73112, and **state the basis for requesting the hearing.**

If Respondent does not 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 and the fines ordered herein

shall be due.

WITNESS My Hand and Official Seal this 19th day of June, 2015.



JOHN D. DOAK
INSURANCE COMMISSIONER
STATE OF OKLAHOMA

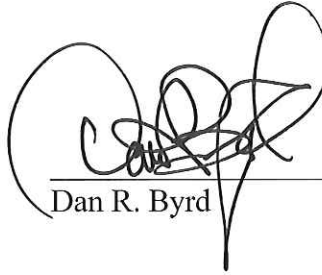
Dan R. Byrd
Assistant General Counsel
3625 NW 56th Street, Suite 100
Oklahoma City, Oklahoma, 73112
Tel. (405) 522-6330
Fax (405) 522-0125

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 19th day of June, 2015, to:

OBI National Insurance Company
Attn: Wendy Williams
1880 JFK Blvd., Ste. 801
Philadelphia, PA 19103-7443

**CERTIFIED MAIL NO:
7015 0640 0004 4933 9627**



Dan R. Byrd

Jeanette Pearce

From: Jeanette Pearce
Sent: Wednesday, May 06, 2015 9:05 AM
To: 'dclancy@onebeacon.com'
Subject: OBI NATIONAL INSURANCE COMPANY, NAIC 14190

Importance: High

May 6, 2015

OBI NATIONAL INSURANCE COMPANY, NAIC 14190
ATTN TAX COMPLIANCE DEPARTMENT

NOTICE OF POTENTIAL PENALTY
For the Quarter ending 03/30/2015

The Oklahoma Insurance Department (the "Department") has not received the Workers' Compensation Multiple Injury Trust Fund Assessment Report filing required by 85A O.S. § 31(D). Although it appears you are in violation of the law, the Department is providing you with an opportunity to correct that non-compliance.

To assure your compliance with 85A O.S. § 31(D) you must immediately provide the Department with the following documents:

- a copy of the WC-10 MITF Assessment Report (includes zero premium reports) for the applicable quarter(s) filed with the Oklahoma Tax Commission, and
- a copy of the applicable quarter(s) check(s) (if payment was due) that was paid to the Oklahoma Tax Commission.

The above should be provided within 15 days by e-mail (jeanette.pearce@oid.ok.gov), by fax (405-522-2640) or mail to:

Oklahoma Insurance Department
ATTN: Financial Division
3625 NW 56th St. Ste. 100
Oklahoma City OK 73112-4511

Should a violation of Title 85A O.S. § 31(D) be confirmed by the Department, you will be subject to administrative penalties as allowed by law, including but not limited to a fine in the amount of Five Hundred Dollars (\$500.00) or an amount equal to one percent (1%) of the unpaid amount, whichever is greater, to be paid to the Insurance Commissioner.

We look forward to your prompt response. Please contact the Oklahoma Insurance Department Financial Division at (405) 521-6651, should you have any questions.

Sincerely,

Jeanette Pearce, PIR

Financial Specialist

Click [HERE](#) for OK instructions and forms.





OKLAHOMA INSURANCE DEPARTMENT | FINANCIAL DIVISION
3625 NW 56th ST STE 100 | OKLAHOMA CITY OK 73112-4511



405-521-6651



405-522-4160



Jeanette.Pearce@oid.ok.gov



Go Green Please consider the environment before printing this email.

The contents of this electronic message, including attachments, are transmitted by the Oklahoma Insurance Department, an Oklahoma government agency according to the Uniform Electronic Transactions Act, 12A O.S. 15-101 et seq. This message is intended for use by the named addressee only and may contain information that is confidential or private according to state or federal laws. If you have received this electronic message in error, please notify the sender by a "reply to sender only" message, delete it completely from your computer and maintain confidentiality of the message. Any unauthorized disclosure, distribution, or use of the contents of this message is prohibited and subjects the user to penalty of law.

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☐ Return Receipt (electronic) \$
☐ Certified Mail Restricted Delivery \$
☐ Adult Signature Required \$
☐ Adult Signature Restricted Delivery \$

Postage

\$

Total Postage \$

\$

Sent To

Street and Apt. 1

City, State, ZIP+

OBI National Insurance Company

Attn: Wendy Williams

1880 JFK Blvd., Ste. 801

Philadelphia, PA 19103-7443

15-0693-DIS/DRB

(Cond. Adm. Ord. ~ 6-19-15)

PS Form 3800, April 2015 PSN 7530-02-000-9047

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:

OBI National Insurance Company
 Attn: Wendy Williams
 1880 JFK Blvd., Ste. 801
 Philadelphia, PA 19103-7443
 15-0693-DIS/DRB
 (Cond. Adm. Ord. ~ 6-19-15)

2. Article Number
 (Transfer from service label)

7015 0640 0004 4933 9627

PS Form 3811, July 2013

Domestic Return Receipt

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

☒ Agent

☐ Addressee

B. Received by (Printed Name)

C. Date of Delivery

D. Is delivery address different from item 1? ☐ Yes

If YES, enter delivery address below: ☒ No

3. Service Type

☒ Certified Mail®

☐ Priority Mail Express™

☐ Registered

☐ Return Receipt for Merchandise

☐ Insured Mail

☐ Collect on Delivery

4. Restricted Delivery? (Extra Fee)

☐ Yes

OKLAHOMA INSURANCE DEPARTMENT
 JUN 30 2015