

(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 November 3, 2015, the Department sent a Notice of Potential Penalty via e-mail to Respondent advising the company 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 September 30, 2015 (the “Notice”).

3. The Notice advised Respondent the Department was giving it the opportunity to correct its 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) 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 Street, Suite 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 would be subject to administrative penalties as allowed by law, including but not limited to a fine in the amount of at least 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. On December 1, 2015, the Department sent a second request relating to the Notice via e-mail to Respondent again advising the company of its non-compliance.

6. Respondent filed its WC-10 form late to the Department on December 1, 2015, rather than by October 25, 2015 for the Third Quarter of 2015. Additionally, it entirely failed to file a payment report to the Oklahoma Tax Commission covering the Third Quarter of 2015, as required by 85A O.S. § 31(D).

CONCLUSIONS OF LAW

1. Respondent has violated 85A O.S. § 31(D) for failing to timely make a report of payment to the Department as required by 85A O.S. § 31(D), and for entirely failing to file a payment report to the Oklahoma Tax Commission covering the Third Quarter of 2015 as required by 85A O.S. § 31(D).

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 HDI-Gerling Insurance Company should be and hereby 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, 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 Kelley C. Callahan, Senior Attorney, Oklahoma Insurance

Department, Legal Division, 3625 NW 56th Street, 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 by Respondent and the fine ordered herein shall be immediately due and payable.

WITNESS My Hand and Official Seal this 19th day of February, 2016.



JOHN D. DOAK
INSURANCE COMMISSIONER
STATE OF OKLAHOMA

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

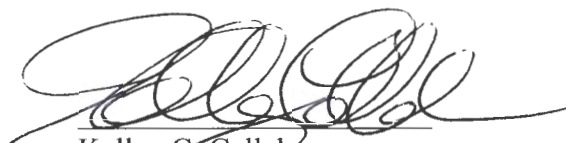
Kelley C. Callahan
Senior Attorney
Oklahoma Insurance Department
Five Corporate Plaza
3625 N.W. 56th, Suite 100
Oklahoma City, Oklahoma 73112
[Email:kelley.callahan@oid.ok.gov](mailto:kelley.callahan@oid.ok.gov)
Tel: (405) 521-6616

CERTIFICATE OF MAILING

I hereby certify that a true and correct copy of the above and foregoing *Conditional Administrative Order of Disciplinary Action and Notice of Right to Be Heard* was mailed certified, return receipt requested, on this 17th day of February, 2016, to:

HDI-Gerling America Insurance Company
Attn: Tax Account Payables
161 North Clark Street, 48th Floor
Chicago, Illinois 60601

Certified Mail No.
7015 0640 0002 7406 4633



Kelley C. Callahan

U.S. Postal Service™
CERTIFIED MAIL® RECEIPT
 Domestic Mail Only

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

OFFICIAL USE

Certified Mail Fee
 \$ _____

Extra Services & Fees (check box, add fee as appropriate)

Return Receipt (hardcopy) \$ _____

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Certified Mail Restricted Delivery \$ _____

Adult Signature Required \$ _____

Adult Signature Restricted Delivery \$ _____

Postage
 \$ _____



Total Postage and Fees
 \$ _____

Sent To
 Street and Apt. No., or PO Box No.
 City, State, ZIP+4®

HDI-Gerling America Insurance Company
 Attn: Tax Account Payables
 161 North Clark Street, 48th Floor
 Chicago, IL 60601
 sms/15-1331-DIS/Cond Ord

PS Form 3800, April 2015 PSN 7530-02-000-9053

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- 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:

HDI-Gerling America Insurance Company
 Attn: Tax Account Payables
 161 North Clark Street, 48th Floor
 Chicago, IL 60601
 sms/15-1331-DIS/Cond Ord



9590 9403 0272 5155 0706 58

2. Article Number (Transfer from service label)

7015 0640 0002 7406 4633

COMPLETE THIS SECTION ON DELIVERY

A. Signature
 X *J. R. Deff* Agent Addressee

B. Received by (Printed Name) *J. R. Deff* C. Date of Delivery *2/2/16*

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

FEB 2 2016

Legal Division

3. Service Type

Adult Signature Priority Mail Express®

Adult Signature Restricted Delivery Registered Mail™

Certified Mail® Registered Mail Restricted Delivery

Certified Mail Restricted Delivery Return Receipt for Merchandise

Collect on Delivery Signature Confirmation™

Collect on Delivery Restricted Delivery Signature Confirmation Restricted Delivery

Mail Restricted Delivery

(over \$500)

PS Form 3811, April 2015 PSN 7530-02-000-9053

Domestic Return Receipt

7015 0640 0002 7406 4633