

BEFORE THE INSURANCE COMMISSIONER OF THE
STATE OF OKLAHOMA

FILED

MAR 21 2016

INSURANCE COMMISSIONER
OKLAHOMA

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

Case No. 16-0238-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 undersigned counsel, 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. §§ et seq. and 85A O. S. § 31(D) of the Administrative Workers' Compensation Act.

2. Respondent The Cincinnati Insurance Company ("Respondent") is a licensed insurance company doing business in the State of Oklahoma holding CoCode Number 858401 and NAIC number 10677.

ALLEGATION 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. Respondent failed to pay its quarterly assessment to the Oklahoma Tax Commission by the deadline date of January 15, 2016 and failed to file its WC-10 form with the Department by the deadline date of January 25, 2016, as required by 85A O.S. § 31(D).

CONCLUSIONS OF LAW

1. Respondent has violated 85A O.S. § 31(D) for failing to timely pay its quarterly assessment to the Oklahoma Tax Commission and by failing to timely submit its WC-10 form to the Department, 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 The Cincinnati Insurance Company is **FINED** Five Hundred Dollars (\$500.00). Fine payment to be received within thirty days from 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 Julie Meaders, Oklahoma Insurance Department, Legal Division, 3625 NW 56th St., Suite 100, Oklahoma City, Oklahoma 73112, stating the basis for 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 fine ordered herein shall be due.

WITNESS My Hand and Official Seal this 21st day of March, 2016.



JOHN D. DOAK
INSURANCE COMMISSIONER
STATE OF OKLAHOMA

Julie Meaders

Julie Meaders
Deputy General Counsel
3625 NW 56th Street, Suite 100
Oklahoma City, Oklahoma, 73112
Tel. (405) 522-6330

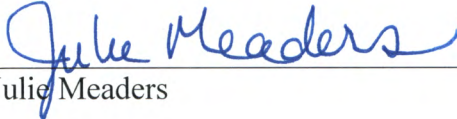
CERTIFICATE OF MAILING

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 21st day of March, 2016, to:

The Cincinnati Insurance Company
P.O. Box 145496
Cincinnati, OH 45259-5496

Certified Mail No.
7015 3010 0001 4604 0075

Copy to: Jeanette Pearce
Financial Specialist
Oklahoma Insurance Department



Julie Meaders

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 Domestic Mail Only

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

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

Return Receipt (hardcopy) \$ _____

Return Receipt (electronic) \$ _____

Certified Mail Restricted Delivery \$ _____

Adult Signature Required \$ _____

Adult Signature Restricted Delivery \$ _____

Postage
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Total Postage and Fees

\$ _____

Sent To _____

Street and Apt. No., or PO Box _____

City, State, ZIP+4® _____

The Cincinnati Insurance Company
 P.O. Box 145496
 Cincinnati, OH 45259-5496
 rg/16-0238-DIS(JAM)/Cond Adm Ord

PS Form 3800, April 2015 PSN 7530-02-000-3077



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: **Legal Division**

The Cincinnati Insurance Company
 P.O. Box 145496
 Cincinnati, OH 45259-5496
 rg/16-0238-DIS(JAM)/Cond Adm Ord



9590 9402 1346 5285 6015 02

2. Article Number (Transfer from service label)

7015 3010 0001 4604 0075

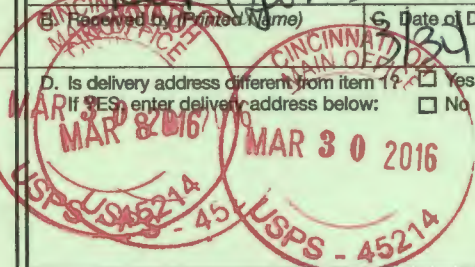
COMPLETE THIS SECTION ON DELIVERY

A. Signature Agent Addressee

B. Received by (Printed Name) Rudney Jones Date of Delivery MAR 3 2016

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

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- Collect on Delivery Restricted Delivery Signature Confirmation Restricted Delivery
- Insured Mail Signature Confirmation Restricted Delivery (over \$500)
- Insured Mail Restricted Delivery (over \$500)



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

Domestic Return Receipt