

BEFORE THE INSURANCE COMMISSIONER OF THE
STATE OF OKLAHOMA

FILED

AUG 26 2016

INSURANCE COMMISSIONER
OKLAHOMA

STATE OF OKLAHOMA, ex rel. JOHN D.)
DOAK, Insurance Commissioner,)
)
Petitioner,)
vs.)
)
FRANCISCO VILLARRUEL, III, a licensed)
bail bondsman in the State of Oklahoma,)
)
and)
)
UNITED STATES FIRE INSURANCE)
COMPANY, an insurer licensed in the State of)
Oklahoma,)
)
Respondents.)

Case Nos. 16-0784-DIS,
16-0792-DIS, &
16-0793-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 counsel, Barron B. Brown, 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. §§ 1301-1341.
2. Respondent Francisco Villarruel, III (“Villarruel, III”) is a licensed bail bondsman in the State of Oklahoma holding license number 100128469
3. Respondent United States Fire Insurance Company (“USFIC”) is a licensed insurer in the State of Oklahoma, holding certificate of authority number 8424.
4. Pursuant to 59 O.S. § 1310(B), in addition to any potential denial, censure,

suspension, or revocation, any person violating any provision of the Oklahoma Bail Bond Act may be subject to a civil penalty of not less than Two Hundred Fifty Dollars (\$250.00) nor more than Two Thousand Five Hundred Dollars (\$2,500.00) for each occurrence of a violation.

ALLEGATIONS OF FACT

Case Number 16-0784-DIS

1. On January 24, 2014, an appearance bond was executed as follows:

Defendant:	Wade Alvin Weaver
Case Number(s):	CM-2014-72
City/County:	Kay County
Surety:	United States Fire Insurance Company
Bondsman:	Francisco Villarruel, III
Power Number(s):	U5-20481744
Bond Amount(s):	\$256.50

2. On February 23, 2014, the Defendant failed to appear, and the bond was declared forfeited. An Order and Judgment of Forfeiture was issued and filed in the case on February 19, 2014, by the Kay County District Court. A true and correct copy of the Order and Judgment of Forfeiture was mailed to Respondents with return receipt requested within thirty (30) days after the forfeiture's Order's filing.

3. Villarruel, III received a copy of the Order and Judgment of Forfeiture on February 20, 2014.

4. USFIC received a copy of the Order and Judgment of Forfeiture on February 21, 2014.

5. The ninety-first (91st) day after receipt of the Order and Judgment of Forfeiture was May 22, 2014.

6. The defendant was not returned to custody within ninety (90) days nor was the bond forfeiture paid within ninety-one (91) days of the Order and Judgment of Forfeiture being

issued. As of the date of the filing of this Order, this forfeiture has not been paid.

Case Number 16-0792-DIS

7. On October 5, 2013, an appearance bond was executed as follows:

Defendant:	Leland Pappan, III
Case Number(s):	CM-2004-297
City/County:	Kay County
Surety:	United States Fire Insurance Company
Bondsman:	Francisco Villarruel, III
Power Number(s):	U3-20470794
Bond Amount(s):	\$500.00

8. On July 29, 2015, the Defendant failed to appear, and the bond was declared forfeited. An Order and Judgment of Forfeiture was issued and filed in the case on August 7, 2015, by the Kay County District Court. A true and correct copy of the Order and Judgment of Forfeiture was mailed to Respondents with return receipt requested within thirty (30) days after the forfeiture's Order's filing.

9. Villarruel, III received a copy of the Order and Judgment of Forfeiture on August 10, 2015.

10. USFIC received a copy of the Order and Judgment of Forfeiture on August 20, 2015.

11. The ninety-first (91st) day after receipt of the Order and Judgment of Forfeiture was November, 9, 2015.

12. The defendant was not returned to custody within ninety (90) days nor was the bond forfeiture paid within ninety-one (91) days of the Order and Judgement of Forfeiture being issued. As of the date of the filing of this Order, this forfeiture has not been paid.

Case Number 16-0793-DIS

13. On October 5, 2013, an appearance bond was executed as follows:

Defendant:	Leland Pappan, III
Case Number(s):	CM-2003-2
City/County:	Kay County
Surety:	United States Fire Insurance Company
Bondsman:	Francisco Villarruel, III
Power Number(s):	U3-20470795
Bond Amount(s):	\$500.00

14. On July 29, 2015, the Defendant failed to appear, and the bond was declared forfeited. An Order and Judgment of Forfeiture was issued and filed in the case on August 7, 2015, by the Kay County District Court. A true and correct copy of the Order and Judgment of Forfeiture was mailed to Respondents with return receipt requested within thirty (30) days after the forfeiture's Order's filing.

15. Villarruel, III received a copy of the Order and Judgment of Forfeiture on August 10, 2015.

16. USFIC received a copy of the Order and Judgment of Forfeiture on August 20, 2015.

17. The ninety-first (91st) day after receipt of the Order and Judgment of Forfeiture was November 9, 2015.

18. The defendant was not returned to custody within ninety (90) days nor was the bond forfeiture paid within ninety-one (91) days of the Order and Judgment of Forfeiture being issued. As of the date of the filing of this Order, this forfeiture has not been paid.

ALLEGED VIOLATIONS OF LAW

1. Respondents have violated 59 O.S. § 1332(D); by failing to timely return the Defendant within ninety (90) days or timely remit payment in the face amount of the bond forfeitures within ninety-one (91) days from receipt of the Order and Judgment of Forfeiture.

ORDER

IT IS THEREFORE ORDERED that Villarruel, III and USFIC are each FINED Five Hundred Dollars (\$500.00). The fines are to be paid within thirty (30) days made payable to the Oklahoma Insurance Department. Payment may be made by either cashier's check or money order. If Respondent Villarruel, III's fine is not paid within thirty (30) days, Villarruel, III's license will be suspended and shall remain suspended until the fine is paid in full.

IT IS FURTHER ORDERED that the face amount of the bond forfeitures shall be deposited by Respondent USFIC with the Kay County Court Clerk (or the bond forfeiture otherwise set aside or the bond exonerated) within thirty (30) days of receipt of this Order. Failure to do so shall result in the **CANCELLATION** of USFIC's license privilege and authorization to do business within the State of Oklahoma and **CANCELLATION** of the surety appointment of all surety bondsman agents of USFIC.

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 Barron B. Brown, Oklahoma Insurance Department, Legal Division, 3625 NW 56th St., Suite 100, 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 26th day of August, 2016.



JOHN D. DOAK
INSURANCE COMMISSIONER
STATE OF OKLAHOMA

Barron B. Brown

Barron B. Brown
Assistant General Counsel
3625 NW 56th Street, Suite 100
Oklahoma City, Oklahoma, 73112
(405) 521-2746

CERTIFICATE OF MAILING

I, Barron B. Brown, 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 26th day of August, 2016, to:

Francisco Villarruel, III
3006 N 14th St
Ponca City, Oklahoma 74601-1029
CERTIFIED MAIL NO. 7016 0910 0000 5833 5213

United States Fire Insurance Company
305 Madison Ave.
Morristown, NJ 07962
CERTIFIED MAIL NO. 7016 0910 0000 5833 5220

Barron B. Brown

Barron B. Brown
Assistant General Counsel

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

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Return Receipt (electronic) \$ _____

Certified Mail Restricted Delivery \$ _____

Adult Signature Required \$ _____

Adult Signature Restricted Delivery \$ _____

Postage
 \$ _____

Total Postage and Fees
 \$ _____



Sent To Francisco Villarruel, III
 3006 N. 14th St.
 Ponca City, OK 74601-1029
 rlg/16-0784-DIS, 16-0792-DIS,
 16-0793-DIS(BBB)/Cond Adm Ord

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

PS Form 3800, April 2015 PSN

7016 0910 0000 5833 5213

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY	
<ul style="list-style-type: none"> 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. 	<p>A. Signature X <i>Kelsie Adkins</i> <input type="checkbox"/> Agent <input type="checkbox"/> Addressee</p> <p>B. Received by (Printed Name) <i>Kelsie Adkins</i></p> <p>C. Date of Delivery <i>8-29-16</i></p>	
<p>1. Article Addressed to:</p> <p>Francisco Villarruel, III 3006 N. 14th St. Ponca City, OK 74601-1029 rlg/16-0784-DIS, 16-0792-DIS, 16-0793-DIS(BBB)/Cond Adm Ord</p>	<p>RECEIVED OKLAHOMA INSURANCE DEPARTMENT SEP 02 2016 Legal Division</p>	
<p>2. Article Number (Transfer from service label) 7016 0910 0000 5833 5213</p>	<p>3. Service Type</p> <p><input type="checkbox"/> Adult Signature <input type="checkbox"/> Priority Mail Express®</p> <p><input type="checkbox"/> Adult Signature Restricted Delivery <input type="checkbox"/> Registered Mail™</p> <p><input type="checkbox"/> Certified Mail® <input type="checkbox"/> Registered Mail Restricted Delivery</p> <p><input checked="" type="checkbox"/> Certified Mail Restricted Delivery <input type="checkbox"/> Return Receipt for Merchandise</p> <p><input type="checkbox"/> Collect on Delivery <input type="checkbox"/> Signature Confirmation™</p> <p><input type="checkbox"/> Collect on Delivery Restricted Delivery <input type="checkbox"/> Signature Confirmation Restricted Delivery</p> <p><input type="checkbox"/> Insured Mail <input type="checkbox"/> Signature Confirmation Restricted Delivery</p> <p><input type="checkbox"/> Insured Mail Restricted Delivery (over \$500)</p>	
<p>PS Form 3811, July 2015 PSN 7530-02-000-9053 Domestic Return Receipt</p>		



9590 9402 1736 6074 9346 40

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Return Receipt (hardcopy) \$ _____

Return Receipt (electronic) \$ _____

Certified Mail Restricted Delivery \$ _____

Adult Signature Required \$ _____

Adult Signature Restricted Delivery \$ _____

Postage
 \$ _____

Total Postage and Fees
 \$ _____

Sent To **United States Fire Insurance Company**
 305 Madison Ave.
 Morristown, NJ 07962
 Street and Apt. No., or PO Box # **rig/16-0784-DIS, 16-0792-DIS,**
16-0793-DIS(BBB)/Cond Adm Ord
 City, State, ZIP+4®



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

7016 0910 0000 5833 5220

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<ul style="list-style-type: none"> 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. 	<p>A. Signature <input checked="" type="checkbox"/> <i>[Signature]</i> <input type="checkbox"/> Agent <input type="checkbox"/> Addressee</p> <p>B. Received by (Printed Name) <i>Steen Beck</i> C. Date of Delivery</p>
<p>1. Article Addressed to:</p> <p>United States Fire Insurance Company 305 Madison Ave. Morristown, NJ 07962 rig/16-0784-DIS, 16-0792-DIS, 16-0793-DIS(BBB)/Cond Adm Ord</p>	<p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If delivery address below: _____</p>
<p>2. Article Number (Transfer from service label)</p> <p>7016 0910 0000 5833 5220</p>	<p>3. Service Type</p> <p><input type="checkbox"/> Adult Signature <input type="checkbox"/> Priority Mail Express®</p> <p><input type="checkbox"/> Adult Signature Restricted Delivery <input type="checkbox"/> Registered Mail™</p> <p><input checked="" type="checkbox"/> Certified Mail® <input type="checkbox"/> Registered Mail Restricted Delivery</p> <p><input type="checkbox"/> Certified Mail Restricted Delivery <input type="checkbox"/> Return Receipt for Merchandise</p> <p><input type="checkbox"/> Collect on Delivery <input type="checkbox"/> Signature Confirmation™</p> <p><input type="checkbox"/> Collect on Delivery Restricted Delivery <input type="checkbox"/> Signature Confirmation Restricted Delivery</p> <p><input type="checkbox"/> Insured Mail <input type="checkbox"/> Signature Confirmation Restricted Delivery (over \$500)</p> <p><input type="checkbox"/> Insured Mail Restricted Delivery (over \$500)</p>

