

BEFORE THE INSURANCE COMMISSIONER OF THE
STATE OF OKLAHOMA

FILED

OCT 28 2016

INSURANCE COMMISSIONER
OKLAHOMA

STATE OF OKLAHOMA, ex rel. JOHN D.)
DOAK, Insurance Commissioner,)
)
Petitioner,)
)
vs.)
CASEY GAINES, a licensed bail bondsman)
in the State of Oklahoma,)
)
AND)
)
INDIANA LUMBERMENS MUTUAL)
INSURANCE COMPANY,)
an insurance company licensed to act as)
bail surety in the state of Oklahoma,)
)
Respondents.)

CASE NO. 16-0990-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, Sandra G. LaVenue, 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. §§ 101-7401, and the Oklahoma Bail Bond Act, 59 O. S. §§ 1301-1341.

2. Respondent Casey Gaines ("Gaines") is a licensed bail bondsman in the State of Oklahoma holding license number 100236801.

3. Respondent Indiana Lumbermens Mutual Insurance Company,

("Lumbermens") is an insurance company licensed to act as bail surety in the state of Oklahoma holding NAIC number 14265.

4. The Insurance Commissioner has jurisdiction over the subject matter raised in this dispute and may issue penalties pursuant to *59 O.S. §§ 1310 and 1332* and *36 O.S. §§ 6103.2 and 908*.

5. 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.

6. Pursuant to *36 O.S. § 908*, the Insurance Commissioner can impose a penalty of not less than One Hundred Dollars (\$100.00) nor more than Five Thousand Dollars (\$5,000.00) for violations of any statute over which the Commissioner has jurisdiction.

7. If Gaines or Lumbermens requests a hearing in writing in this matter, pursuant to *OAC 365:1-7-1*, the Insurance Commissioner, pursuant to *36 O.S. § 319*, will appoint an independent hearing examiner who shall sit as a quasi-judicial officer and preside over the hearing requested by Respondent.

8. The Insurance Commissioner, pursuant to *OAC 365:1-7-5*, upon written request reasonably made by a person affected by the hearing and at such person's expense, shall cause a full stenographic record of the proceedings to be made by a competent court reporter.

ALLEGATIONS OF FACT

9. On or about April 1, 2016, an appearance bond was executed as follows:

Defendant:	Michael Shane Seller
Case Number(s):	CF-2016-1382
City/County:	Tulsa County
Surety:	Indiana Lumbermens Mutual Insurance Company
Bondsman:	Casey Gaines
Power Number(s):	US5 61487 US1 467820 US1 467821
Bond Amount(s):	\$5000.00 \$300.00 \$100.00

10. On July 1, 2016, 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 July 12, 2016, by the Tulsa County District Court. A true and correct copy of the Order and Judgment of Forfeiture was mailed to Gaines and Lumbermens with return receipt requested within thirty (30) days after the Order's filing.

10 Gaines received a copy of the Order and Judgment of Forfeiture on July 18, 2016.

11. Lumbermens received a copy of the Order and Judgment of Forfeiture on July 19, 2016.

12. The ninety-first (91st) day after receipt of the Order and Judgment of Forfeiture was October 17, 2016.

13. As of October 27, 2016, the forfeiture has not been paid nor has the defendant been timely returned to custody.

ALLEGED VIOLATIONS OF LAW

14. Gaines and Lumbermens have both violated 59 O.S. § 1332 by failing to return the Defendant to custody within ninety (90) days or remit payment in the face amount of the bond forfeiture within ninety-one (91) days from receipt of the Order and Judgment of Forfeiture.

15. Pursuant to 59 O.S. § 1310(B), any bondsman violating a provision of the Bail Bond Act, 59 O.S. §§ 1301-1340, may be subject to a fine of not less than \$250 but not more than \$2,500 per violation.

16. Pursuant to 36 O.S. § 908, any insurance company violating any provision of the Insurance Code 36 O.S. §§ 101 et seq., may be subject to a fine of not less than \$100.00 but not more than \$5,000.00 per violation.

ORDER

IT IS THEREFORE ORDERED that Gaines and Lumbermens are each **FINED Four Hundred Dollars (\$400.00)**. The fines are to be paid within thirty (30) days of the date of this Conditional Administrative Order and made payable to the Oklahoma Insurance Department. Failure to comply with a proper order of the Commissioner may result in further administrative action.

IT IS FURTHER ORDERED that the face amount of the bond forfeiture shall be deposited with the Tulsa County Court Clerk (or the bond forfeiture otherwise set aside or the bond exonerated) in Tulsa County case number CF-2016-1382 State of Oklahoma v. Michael Shane Seller within thirty (30) days of receipt of this Order. Failure to do so shall result in the **CANCELLATION** of Indiana Lumbermens Mutual Insurance

Company license privilege and authorization to do business within the State of Oklahoma and **CANCELLATION** of the surety appointment of all surety bondsman agents of Indiana Lumbermens Mutual Insurance Company. Additionally, Gaines' surety bondsman's license shall be suspended until such time as the fines related to Gaines are paid and the forfeiture is satisfied.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED by the Insurance Commissioner that this Order is a Conditional Order. Unless either Gaines or Lumbermens requests a hearing with respect to the Allegations of Fact set forth above within thirty (30) days of the date of this Order, the penalties set forth above shall become a Final Order on the thirty-first (31st) day following the date of mailing this Order. A request for hearing should be in writing and addressed to Sandra LaVenue, 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 and shall be served on the Oklahoma Insurance Department within the thirty (30) days allotted. The proceedings on such requested hearing will be conducted in accordance with the Oklahoma Insurance Code, 36 O.S. §§ 101 *et seq.*, and the Oklahoma Administrative Procedures Act, 75 O.S. §§ 250 *through* 324. If either Gaines or Lumbermens serves a timely request for hearing on the Oklahoma Insurance Department, this Conditional Order shall act as a 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 28th day of October, 2016.



JOHN D. DOAK
INSURANCE COMMISSIONER
STATE OF OKLAHOMA

A handwritten signature in black ink, appearing to read "Sandra LaVenue", is written over a horizontal line.

Sandra LaVenue
Senior Counsel
3625 NW 56th Street, Suite 100
Oklahoma City, Oklahoma, 73112
Tel. (405) 521-2746
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 by regular mail and by certified mail, with postage prepaid and return receipt requested, on this 28th day of October 2016, to:

Casey Gaines
906 S. Cheyenne Ave.
Tulsa, OK 74119-1806

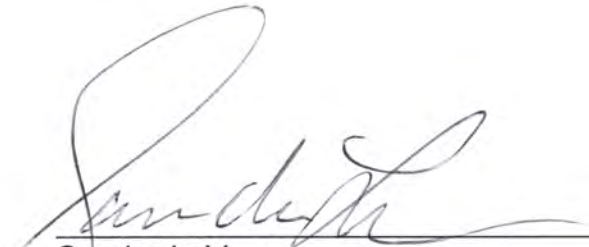
CERTIFIED MAIL NO. 7016 0910 0000 5833 6418

Indiana Lumbermens Mutual Insurance Company
2005 Market St. Ste 1200
Philadelphia, PA 19103-7008

CERTIFIED MAIL NO. 7016 0910 0000 5833 6425

and a copy was delivered to:

Anna Denman
Bail Bonds Division



Sandra LaVenu
Senior Counsel

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) \$ _____

Return Receipt (electronic) \$ _____

Certified Mail Restricted Delivery \$ _____

Adult Signature Required \$ _____

Adult Signature Restricted Delivery \$ _____

Postage
 \$ _____

Total Postage and Fees
 \$ _____

Sent To

Street and Apt. No., or P.O. Box¹

City, State, ZIP+4®



Casey Gaines
 906 S. Cheyenne Ave.
 Tulsa, OK 74119-1806
sms/16-0990-DIS/Cond Ord

PS Form 3800, April 2015 PSN 7500-02-000-0017

7016 0910 0000 5833 6418

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>[Signature]</i> <input type="checkbox"/> Agent <input type="checkbox"/> Addressee</p>
<p>1. Article Addressed to:</p>	<p>B. Received by (Printed Name) <i>LEON POINTS</i> C. Date of Delivery <i>10-31-16</i></p>
<p>Casey Gaines 906 S. Cheyenne Ave. Tulsa, OK 74119-1806 sms/16-0990-DIS/Cond Ord</p> <p>9590 9402 1736 6074 9343 05</p>	<p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Enter delivery address below:</p> <p>RECEIVED OKLAHOMA INSURANCE DEPARTMENT NOV 03 2016 Legal Division</p>
<p>2. Article Number (Transfer from service label) 7016 0910 0000 5833 6418</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</p> <p><input type="checkbox"/> Insured Mail Restricted Delivery (over \$500)</p>

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

Domestic Return Receipt

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) \$ _____

Return Receipt (electronic) \$ _____

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® _____

Indiana Lumbermens Mutual
 Insurance Co
 2005 Market St., Suite 1200
 Philadelphia, PA 19103-7008
sms/16-0990-DIS/Cond Ord

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

7016 0910 0000 5833 6425

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY	
<p>■ Complete items 1, 2, and 3.</p> <p>■ Print your name and address on the reverse so that we can return the card to you.</p> <p>■ Attach this card to the back of the mailpiece, or on the front if space permits.</p> <p>1. Article Addressed to:</p> <div style="border: 1px solid black; padding: 5px; margin: 5px;"> <p>Indiana Lumbermens Mutual Insurance Co 2005 Market St., Suite 1200 Philadelphia, PA 19103-7008 sms/16-0990-DIS/Cond Ord</p> </div> <p>9590 9402 1736 6074 9342 99</p>	<p>A. Signature X <input type="checkbox"/> Agent <input type="checkbox"/> Addressee</p> <p>B. Received by (Printed Name) RECEIVED OKLAHOMA INSURANCE DEPARTMENT NOV 08 2016 Legal Division</p> <p>C. Date of Delivery 11/2/16</p> <p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If YES, enter delivery address below:</p>	
<p>2. Article Number (Transfer from service label) 7016 0910 0000 5833 6425</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</p> <p><input type="checkbox"/> Insured Mail Restricted Delivery (over \$500)</p>	