

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

FILED

MAR 30 2017

INSURANCE COMMISSIONER
OKLAHOMA

STATE OF OKLAHOMA, ex rel. JOHN D.)
DOAK, Insurance Commissioner,)
)
Petitioner,)
vs.)
CASEY WAYNE 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. 16-1136-DIS

ADMINISTRATIVE ORDER

This matter is a proceeding under the Oklahoma Bail Bond Code, 59 O.S. §§ 1301 et seq., the Oklahoma Insurance Code, 36 O.S. §§ 101 et seq., and conducted pursuant the Oklahoma Administrative Procedures Act, 75 O.S. §§ 301 et seq, whereby Respondent, Casey Wayne Gaines (“Respondent Gaines”) is an Oklahoma licensed bail bondsman in the state of Oklahoma holding license number 100236801 and Respondent Indiana Lumbermens Mutual Insurance Company (“Respondent Lumbermens”) is an insurance company licensed to act as bail surety in the State of Oklahoma holding NAIC number 14265. On January 20, 2017, the Oklahoma Insurance Department (“OID”) issued a Notice of Hearing and Order For Show Cause alleging violations of the provisions of Title 36 and Title 59 of the Oklahoma Statutes and setting this matter for hearing on February 23, 2017, at 9:30 a.m. at the office of the Oklahoma Insurance Department, 3625 N.W. 56th Street, Suite 100, Oklahoma City, Oklahoma.

Legal service of summons was achieved by serving Respondent Gaines on January 23, 2017, and Respondent Lumbermens on February 1, 2017, by certified mail return receipt requested.

On February 23, 2017, the above captioned case came on for hearing at OID and testimony and evidence was received at that time. Oklahoma Insurance Commissioner John D. Doak appointed the undersigned independent Hearing Examiner, John D. Miller, to preside at the hearing as a quasi-judicial officer pursuant to 36 O.S. § 319 and 59 O.S. § 1311.1(B). The hearing was recorded electronically by employees of the Oklahoma Insurance Department ("OID"). Petitioner was represented by Senior Counsel Sandra G. LaVenue. Neither Respondent Gaines nor a representative for Respondent Lumbermens appeared at the hearing. Attorney Steve Money entered an appearance on behalf of both Respondents Gaines and Lumbermens on February 22, 2017 and reported at 10:16 p.m. that same evening to OID Counsel via email that he would not be appearing at the hearing due to a conflict and presumed that all of the Respondents would be in default. Additionally, Mr. Money requested that the Respondents be given additional time to pay whatever fines may be assessed and requested that fines be assessed in the amount of \$1250.00. This Hearing Examiner noted that Mr. Money did not request a continuance. Testimony and evidence was heard before the undersigned Hearing Examiner including the admission of exhibits into evidence. Therefore, after consideration of the testimony and evidence presented, this independent Hearing Examiner issues his order of findings and conclusions of law.

FINDINGS OF FACT

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 and the Oklahoma Bail Bond Code.

2. The Insurance Commissioner, pursuant to 36 O.S. § 319 and 59 O.S. § 1311.1(B), appointed an independent Hearing Examiner and that Hearing Examiner has the jurisdiction to determine if there is evidence to support a finding by clear and convincing evidence that Respondent's actions as alleged in the OID Notice of Hearing and Order for Show Cause issued on January 23, 2017, were established by the evidence and were in violation of the Oklahoma Bail Bond Code and/or the Oklahoma Insurance Code.

3. On March 25, 2016, Respondent Gaines executed an appearance bond in the Tulsa County Court as follows:

| | |
|------------------|---|
| Defendant: | Jordan Batice Mitchell |
| Case Number(s): | CF-2015-4207 |
| City/County: | Tulsa County |
| Surety: | Indiana Lumbermens Mutual Insurance Company |
| Bondsman: | Casey Gaines |
| Power Number(s): | 792904 |
| Bond Amount(s): | \$350,000.00 |

4. On September 8, 2016, the Defendant failed to appear and the court issued a bench warrant and the bond was declared forfeited. An Order and Judgment of Forfeiture was issued and filed in the case on September 13, 2016, by the Tulsa County Court Clerk. A true and correct copy of the Order and Judgment of Forfeiture was

mailed to Respondent with return receipt requested within thirty (30) days after the Order's filing.

5. Respondent Gaines received a copy of the Order and Judgment of Forfeiture on September 15, 2016.

6. Respondent Lumbermens received a copy of the Order and Judgment of Forfeiture on September 19, 2016.

7. The ninety-first (91st) day after receipt of the Order and Judgment of Forfeiture was December 15, 2016.

8. The defendant was neither returned to custody by December 14, 2016, nor the bond forfeiture paid by September December 15, 2016, in accordance with the provisions of 59 O.S. § 1332.

9. The Tulsa County Court Clerk sent notice to OID on December 16, 2016, asserting that neither Respondent Gaines nor Respondent Lumbermens either returned the defendant to custody or paid the bond forfeiture by the ninety-first (91st) day.

CONCLUSIONS OF LAW

1. Respondent Gaines violated 59 O.S. 1310(A)(2) and (28), 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 in accordance with the provisions of 59 O.S. § 1332 and OAC 365:25-5-40 and 365:25-5-41.

2. Respondent Gaines violated 59 O.S. 1310(A)(6), (9) and (28) by repeatedly failing to comply with Orders of Judgement and Forfeiture.

3. Respondent Lumbermens violated 36 O.S. § 619 by failing to comply with OAC 365:25-5-40 and 365:25-5-41(b)(2) and as also required by 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 in accordance with the provisions of 59 O.S. § 1332 and OAC 365:25-5-40 and 365:25-5-41.

ORDER

IT IS THEREFORE ORDERED, ADJUDGED AND DECREED that it has been established by clear and convincing evidence that Respondent, Casey Wayne Gaines violated 59 O.S. § 1310(A)(2), (6), (9), and (28) of the Oklahoma Bail Bond Code by failing to either return the defendant to custody within ninety (90) days of a bail bond forfeiture or pay the forfeiture within ninety-one (91) days from receipt of the Order and Judgment of Forfeiture in accordance with the provisions of 59 O.S. § 1332 and OAC 365:25-5-40 and 25-5-41, and as a result Gaines' bail bond license is hereby REVOKED.


IT IS FURTHER ORDERED that it has been established by clear and convincing evidence that Respondent Indiana Lumbermens Mutual Insurance Company violated 36 O.S. § 619 by failing to comply with OAC 365:25-5-40 and 365:25-5-41(b)(2) and as also required by 59 O.S. § 1332 and as a result Respondent Lumbermens is FINED in the amount of FIVE THOUSAND DOLLARS (\$5,000.00). The fine is to be paid within thirty (30) days of receipt of this order.

IT IS FURTHER ORDERED that Respondent Lumbermens, is assessed the

costs of this matter in the amount of FORTY DOLLARS (\$40.00) to be paid to the Oklahoma Insurance Department within thirty (30) days of receipt of this order.

WITNESS My Hand and Official Seal this 27th day of March, 2017.





JOHN D. MILLER, OBA # 6213
INDEPENDENT HEARING EXAMINER
OKLAHOMA INSURANCE DEPARTMENT

CERTIFICATE OF MAILING

I, Sandra G. LaVenue, hereby certify that a true and correct copy of the above and foregoing Administrative Order was mailed certified, return receipt requested on this 30th day of March, 2017, to:

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

CERTIFIED MAIL NO. 7016 0910 0000 8401 1433

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

CERTIFIED MAIL NO. 7016 0910 0000 8401 1440

Stephen R. Money
430 Court Street
Muskogee, OK 74401

CERTIFIED MAIL NO. 7016 0910 0000 8401 1457

and a copy was delivered to:

Lewis Garrison
Bail Bonds Division



Sandra LaVenue
Senior Counsel

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Adult Signature Restricted Delivery \$ _____

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Indiana Lumbermens Mutual IC
 2005 Market St., Suite 1200
 Philadelphia, PA 19103-7008
sms/16-1136-DIS/ Admin Ord

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

| SENDER: COMPLETE THIS SECTION | COMPLETE THIS SECTION ON DELIVERY | | | | | | | | | | | | | | | | |
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| <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>[Signature]</i> C. Date of Delivery <i>4/4/17</i></p> | | | | | | | | | | | | | | | | |
| <p>1. Article Addressed to:</p> <div style="border: 1px solid black; padding: 5px; margin: 5px 0;"> <p>Indiana Lumbermens Mutual IC 2005 Market St., Suite 1200 Philadelphia, PA 19103-7008 sms/16-1136-DIS/ Admin Ord</p> </div> <p>9590 9402 1900 6104 3978 20</p> | <p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No</p> <p>RECEIVED OKLAHOMA INSURANCE DEPARTMENT APR 10 2017 Legal Division</p> <p>E. Service type</p> <table border="0"> <tr> <td><input type="checkbox"/> Adult Signature</td> <td><input type="checkbox"/> Priority Mail Express®</td> </tr> <tr> <td><input type="checkbox"/> Adult Signature Restricted Delivery</td> <td><input type="checkbox"/> Registered Mail™</td> </tr> <tr> <td><input checked="" type="checkbox"/> Certified Mail®</td> <td><input type="checkbox"/> Registered Mail Restricted Delivery</td> </tr> <tr> <td><input type="checkbox"/> Certified Mail Restricted Delivery</td> <td><input type="checkbox"/> Return Receipt for Merchandise</td> </tr> <tr> <td><input type="checkbox"/> Collect on Delivery</td> <td><input type="checkbox"/> Signature Confirmation™</td> </tr> <tr> <td><input type="checkbox"/> Collect on Delivery Restricted Delivery</td> <td><input type="checkbox"/> Signature Confirmation Restricted Delivery</td> </tr> <tr> <td><input type="checkbox"/> Insured Mail</td> <td></td> </tr> <tr> <td><input type="checkbox"/> Insured Mail Restricted Delivery (over \$500)</td> <td></td> </tr> </table> | <input type="checkbox"/> Adult Signature | <input type="checkbox"/> Priority Mail Express® | <input type="checkbox"/> Adult Signature Restricted Delivery | <input type="checkbox"/> Registered Mail™ | <input checked="" type="checkbox"/> Certified Mail® | <input type="checkbox"/> Registered Mail Restricted Delivery | <input type="checkbox"/> Certified Mail Restricted Delivery | <input type="checkbox"/> Return Receipt for Merchandise | <input type="checkbox"/> Collect on Delivery | <input type="checkbox"/> Signature Confirmation™ | <input type="checkbox"/> Collect on Delivery Restricted Delivery | <input type="checkbox"/> Signature Confirmation Restricted Delivery | <input type="checkbox"/> Insured Mail | | <input type="checkbox"/> Insured Mail Restricted Delivery (over \$500) | |
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| <input type="checkbox"/> Collect on Delivery | <input type="checkbox"/> Signature Confirmation™ | | | | | | | | | | | | | | | | |
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| <input type="checkbox"/> Insured Mail Restricted Delivery (over \$500) | | | | | | | | | | | | | | | | | |
| <p>2. Article Number (Transfer from service label)</p> <p>7016 0910 0000 8401 1440</p> | | | | | | | | | | | | | | | | | |

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

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| <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>Laura S. Money</i> <input type="checkbox"/> Agent <input type="checkbox"/> Addressee</p> <p>B. Received by (Printed Name) _____ C. Date of Delivery <u>4-3-17</u></p> | | | | | | | | | | | | | | | | |
| <p>1. Article Addressed to:</p> <div style="border: 1px solid black; padding: 5px; margin: 5px;"> Stephen R. Money 430 Court Street Muskogee, Oklahoma 74401 sms/16-1136-DIS/Admin Ord </div> <p>9590 9402 1900 6104 3978 37</p> | <p>RECEIVED OKLAHOMA INSURANCE DEPARTMENT APR 06 2017 Legal Division</p> <p>3. Service Type</p> <table border="0"> <tr> <td><input type="checkbox"/> Adult Signature</td> <td><input type="checkbox"/> Priority Mail Express®</td> </tr> <tr> <td><input type="checkbox"/> Adult Signature Restricted Delivery</td> <td><input type="checkbox"/> Registered Mail™</td> </tr> <tr> <td><input checked="" type="checkbox"/> Certified Mail®</td> <td><input type="checkbox"/> Registered Mail Restricted Delivery</td> </tr> <tr> <td><input type="checkbox"/> Certified Mail Restricted Delivery</td> <td><input type="checkbox"/> Return Receipt for Merchandise</td> </tr> <tr> <td><input type="checkbox"/> Collect on Delivery</td> <td><input type="checkbox"/> Signature Confirmation™</td> </tr> <tr> <td><input type="checkbox"/> Collect on Delivery Restricted Delivery</td> <td><input type="checkbox"/> Signature Confirmation Restricted Delivery</td> </tr> <tr> <td><input type="checkbox"/> Insured Mail</td> <td></td> </tr> <tr> <td><input type="checkbox"/> Insured Mail Restricted Delivery (over \$500)</td> <td></td> </tr> </table> | <input type="checkbox"/> Adult Signature | <input type="checkbox"/> Priority Mail Express® | <input type="checkbox"/> Adult Signature Restricted Delivery | <input type="checkbox"/> Registered Mail™ | <input checked="" type="checkbox"/> Certified Mail® | <input type="checkbox"/> Registered Mail Restricted Delivery | <input type="checkbox"/> Certified Mail Restricted Delivery | <input type="checkbox"/> Return Receipt for Merchandise | <input type="checkbox"/> Collect on Delivery | <input type="checkbox"/> Signature Confirmation™ | <input type="checkbox"/> Collect on Delivery Restricted Delivery | <input type="checkbox"/> Signature Confirmation Restricted Delivery | <input type="checkbox"/> Insured Mail | | <input type="checkbox"/> Insured Mail Restricted Delivery (over \$500) | |
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| <input type="checkbox"/> Adult Signature Restricted Delivery | <input type="checkbox"/> Registered Mail™ | | | | | | | | | | | | | | | | |
| <input checked="" type="checkbox"/> Certified Mail® | <input type="checkbox"/> Registered Mail Restricted Delivery | | | | | | | | | | | | | | | | |
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| <p>1. Article Addressed to:</p> <div style="border: 1px solid black; padding: 5px; margin: 5px;"> <p>Casey Gaines 906 S. Cheyenne Ave. Tulsa, OK 74119-1806 sms/16-1136-DIS/ Admin Ord</p> </div> <p>9590 9402 1900 6104 3978 13</p> | <p>Is this delivery address different from item 1? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If YES, enter delivery address below:</p> <p style="text-align: center;">RECEIVED OKLAHOMA INSURANCE DEPARTMENT APR 06 2017 Legal Division</p> |
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