BEFORE THE INSURANCE COMMISSIONER OF THE STATE OF OKLAHOMA

STATE OF OKLAHOMA, ex rel. JOHN DOAK, Insurance Commissioner,)		
Petitioner,)		
v.) Case No. 17-0311-DEN		
FEDERAL SERVICE CORPORATION, an applicant for a nonresident adjuster license,)))	FILED	
Respondent.)	MAY 1 9 2017	
CONDITIONAL ADMINIS AND NOTICE OF RIGHT	INSURANCE COMMISSIONER OKLAHOMA		

COMES NOW the State of Oklahoma, ex rel. John Doak, Insurance Commissioner, by and through his attorney, Sandra LaVenue, and alleges and states as follows:

JURISDICTION

- 1. John Doak is the Insurance Commissioner of the State of Oklahoma and is charged with the duty of administering and enforcing all provisions of the Oklahoma Insurance Code, 36 O.S. §§ 101 et seq.
- Respondent is an applicant for a nonresident adjuster license in the State of Oklahoma. Respondent's address of record is 22601 N. 19th Ave., Suite 202, Phoenix, AZ 85027.
- 3. The Insurance Commissioner may censure, suspend, revoke or refuse to issue or renew a license issued pursuant to the Oklahoma Insurance Adjuster Licensing Act and/or may levy a fine up to \$1,000.00 for each occurrence of a violation of the Oklahoma Insurance Code, 36 O.S. § 6220.

ALLEGATIONS OF FACT

- 1. Respondent applied for a nonresident adjuster license on or about April 21, 2017, with the Oklahoma Insurance Department (OID). On the application form, question 2 asks the following: "Has the business entity or any owner, partner, officer or director of the business entity, or member or manager of a limited liability company, ever been named or involved as a party in an administrative proceeding, including a FINRA sanction or arbitration proceeding regarding any professional or occupational license, or registration?" Respondent answered "no" to this question.
- 2. A background check conducted by the OID Licensing Division showed that Respondent was a party to an administrative action before the Insurance Commissioner of the State of Utah for failing to submit a timely response to an inquiry from the Utah Insurance Commission on three (3) separate occasions.
- 3. Respondent's failure to timely respond to an inquiry from the Utah Insurance Commissioner resulted in an informal adjudicative proceeding and an administrative assessment in the amount of \$750.00.

ALLEGED VIOLATIONS OF LAW

- 1. Respondent violated the provisions of 36 O.S. § 6220(A)(1) by making a material misrepresentation or fraud in its license application.
- 2. Respondent violated the provisions of 36 O.S. §§ 6220(A)(12) and 6222 by obtaining or attempting to obtain a license through misrepresentation or fraud and/or by failing to report a previous administrative action taken against Respondent in another jurisdiction.

ORDER

Service Corporation is **FINED THREE HUNDRED DOLLARS** (\$300.00) for providing incorrect, misleading, incomplete or materially untrue information in the license application. **The** \$300.00 fine is to be paid within thirty (30) days made payable to the Oklahoma Insurance Department. Respondent's application for a nonresident adjuster license may be granted upon receipt of payment of the fine and reporting of the administrative action. Failure to pay the civil fine or request a hearing within thirty (30) days will result in your license application being withdrawn.

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 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.

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

day of May, 2017.



JOHN DOAK
INSURANCE COMMISSIONER
STATE OF OKLAHOMA

Sandra G. LaVenue Senior Counsel

3625 NW 56th St., Suite 100 Oklahoma City, OK 73112

405-521-2746

CERTIFICATE OF MAILING

I, Sandra G. LaVenue, 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 day of May, 2017, to:

Susan Griffin Vice President/Claims Manager Federal Service Corporation 22601 N. 19th Avenue, Suite 202 Phoenix, AZ 85027

CERTIFIED MAIL NO. 7016 0910 0000 8401 1983

and a copy was delivered to:

Courtney Khodabakhsh Lorie Jones Licensing Division

Sandra G. LaVenue

Assistant General Counsel



SE	NDER: COMPLETE THIS SECTION		COMPLETE THIS SECTION ON L	DELIVERY	
	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. Article Addressed to:	D. Is delivery address different from			
	Susan Griffin Federal Service Corporation 22601 N. 19th Ave., Suite 202 Phoenix, AZ 85027 sms/17-0311-DEN (SGL)/Cond Ord	SIC	If YES, enter delivery address to	Blow.	
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P	Form 3811, July 2015 PSN 7530-02-000-9053			Domestic Return Receipt	