



## **FINDINGS OF FACT**

1. Before March 1 of each year, a captive insurance company shall submit to the Insurance Commissioner a report of its financial condition, verified by two of its officers. 36 O.S. § 6470.11(B). In order to verify results in the company's annual report, each company shall cause its books and records to be audited annually by an independent certified public accounting firm approved by the Commissioners. OAC 365: 25-15-2(d).

2. All companies shall have an annual audit by an independent certified public accounting firm, authorized by the Commissioner, and shall file such annual audited financial report with the Insurance Commissioner on or before June 30 for the year ending December 31 immediately preceding. OAC: 25-15-3.

3. Stonebough Insurance Inc. has failed to file its 2016 Annual Financial Statement due on or before March 1, 2017. Stonebough Insurance Inc. has further failed to file its 2017 Annual Financial Statement due on or before March 1, 2018.

4. Stonebough Insurance Inc. has also failed to file its 2016 Annual Audited Financial Statement due on or before June 30, 2017.

5. The license of a captive insurance company to conduct an insurance business in this state may be suspended or revoked by the Insurance Commissioner for refusal or failure to submit an annual report, as required by 36 O.S. § 6470.11(B), or any other report or statement required by law or by lawful order of the Commissioner. 36 O.S. § 6470.14(A)(3).

## **CONCLUSIONS OF LAW**

1. Pursuant to 36 O.S. § 6470.14(A)(3), the Insurance Commissioner, based on the above findings of fact, concludes as a matter of law that Stonebough Insurance, Inc. should be suspended from conducting business in Oklahoma because of violations of insurance law.

**ORDER**

**IT IS THEREFORE ORDERED** that Stonebough Insurance Inc. is suspended from doing business in Oklahoma effective immediately. The Commissioner considers it in the best interest of the public and policyholders of the captive insurance company.

**IT IS FURTHER ORDERED** that the Company may request a Hearing within thirty (30) days of receipt of this Order to determine if any reasons exist that should preclude any of the actions taken herein. Any request for Hearing should be in writing, addressed to Julie Meaders, Deputy General Counsel, Oklahoma Insurance Department, Five Corporate Plaza, 3625 N.W. 56<sup>th</sup>, Suite 100, Oklahoma City, OK 73112, and must state the grounds for the request to set aside or modify the Order.

Pending hearing, this Order shall continue in full force and effect. Any such hearing shall be conducted according to the procedures for contested cases under the Oklahoma Insurance Code, 36 O.S. § 101 et seq., 75 O.S. §§ 250 et seq. and OAC 365:1-7-1 et seq. The allegations contained herein shall be the subject matter for the hearing, and such allegations may be amended as additional information is discovered. The Commissioner or his appointed Hearing Examiner reserves the right to impose additional or different administrative discipline at a Hearing, if warranted.

**IT IS FURTHER ORDERED** that if no hearing is requested within thirty (30) days of receipt of this Order, this Order shall become a Final Order.

WITNESS My Hand and Official Seal this 17<sup>th</sup> day of May 2018.



*James C. Mills*

JAMES MILLS  
Chief of Staff  
Oklahoma Insurance Department

**CERTIFICATE OF SERVICE**

I, Julie Meaders, hereby certify that a true and correct copy of the above and foregoing *Order of Suspension of Certificate of Authority* was mailed postage prepaid with return receipt requested on this 18<sup>th</sup> day of May 2018 to:

Irus Management, Ltd.  
6870 W. 52<sup>nd</sup> Ave., Suite 203  
Arvada, CO 80002  
***Certified Mail No. 9214 8902 0982 7500 0086 22***

Stonebough Insurance, Inc.  
1215 S Boulder Ave., Suite 1200  
Tulsa, OK 74119  
***Certified Mail No. 9214 8902 0982 7500 0085 85***

A copy was delivered to the Oklahoma Insurance Department Financial and Examination Division.

  
\_\_\_\_\_  
Julie Meaders



Date Produced: 05/28/2018

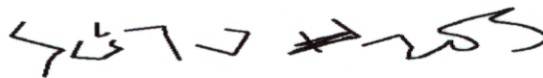
OKLAHOMA INSURANCE DEPARTMENT:

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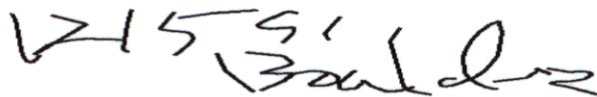
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