

FILED

JUN 24 2019

BEFORE THE INSURANCE COMMISSIONER OF THE
STATE OF OKLAHOMA

INSURANCE COMMISSIONER
OKLAHOMA

STATE OF OKLAHOMA, ex rel. GLEN)	
MULREADY, Insurance Commissioner,)	
)	
)	
)	
Petitioner,)	
vs.)	
)	CASE NO. 18-0469-DIS
KELSEY NATIONAL CORPORATION, an)	
unlicensed nonresident third party)	
administrator in the State of)	
Oklahoma,)	
)	
)	
Respondent.)	

STIPULATION AND AGREED ORDER

COMES NOW Sandra LaVenue, Senior Counsel for the Oklahoma Insurance Department and Kelsey National Corporation who stipulate and agree to the following findings of fact and conclusions of law.

JURISDICTION

1. Glen Mulready 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, the Third-Party Administrator Act, 36 O.S. §§ 1441 through 1452 and the Unauthorized Insurance Business Act, 36 O.S. § 6103.1 through 6103.11.

2. Respondent Kelsey National Corporation is a third-party administrator in the State of Oklahoma with an expired license.

3. The Insurance Commissioner has jurisdiction over the subject matter raised in this dispute and may issue a cease and desist pursuant to penalties 36 O.S. § 6103.4 and/or issue a civil penalty pursuant to the provisions of 36 O.S. § 1450.

AGREED FINDINGS OF FACT

4. Kelsey National Corporation ("Respondent") is a nonresident third party administrator ("TPA") that was previously licensed in the State of Oklahoma license number 863119.

5. Respondent failed to timely submit a renewal application to the Oklahoma Insurance Department ("OID") and its Oklahoma TPA license expired on June 30, 2016.

6. Respondent later submitted a renewal application for its TPA license but failed to submit the additional \$100.00 late renewal fee required by 36 O.S. § 1450(E).

7. Although Respondent filed Annual Reports timely, Respondent continued operating as a TPA in the State of Oklahoma without a TPA license.

8. Pursuant to 36 O.S. § 1450(G), a TPA which violates any provision of the Oklahoma Insurance code, is subject to a civil penalty of not more than Five Thousand Dollars (\$5,000.00) for each occurrence.

9. Both parties agree that Respondent's TPA license should be renewed without condition upon proper application and upon the payment of a civil penalty in the amount of Two Hundred and Fifty Dollars (\$250.00).

AGREED CONCLUSIONS OF LAW

10. Pursuant to 36 O.S. § 1450, OID has jurisdiction over this matter and may either suspend or revoke a TPA licensed or assess a civil penalty of not more than Five Thousand Dollars (\$5,000.00).

11. Respondent violated 36 O.S. § 1450 by operating as a TPA in the

state of Oklahoma after the expiration of Respondent's TPA license.

AGREED ORDER

IT IS THEREFORE ORDERED by the Oklahoma Insurance Commissioner, and **CONSENTED TO** by Respondent, that:

12. Respondent has violated 36 O.S. § 1450 and is subject to a civil penalty for failing to timely renew its TPA license.

13. Respondent is herein assessed a civil penalty in the amount of Two Hundred and Fifty Dollars (\$250.00), which is due upon entry of this Stipulation and Agreed Order and prior to renewal of its TPA license in the State of Oklahoma.

WITNESS My Hand and Official Seal this 25 day of May 2019.



CHARLES ALDEN, III OBA # 187
INDEPENDENT HEARING EXAMINER
OKLAHOMA INSURANCE DEPARTMENT

APPROVED AS TO FORM:

Sandra G. LaVenue OBA# 13372
Oklahoma Insurance Department
Senior Counsel
3625 BW 56th Street, Suite 100
Oklahoma City, Oklahoma 73112
(405) 521-2746

Respondent
Nayri Horvat, COO
Kelsy National Corporation


CERTIFICATE OF MAILING

I, Sandra LaVenue, hereby certify that a true and correct copy of the above and foregoing Stipulation and Agreed Order was mailed by certified mail, with postage prepaid and return receipt requested, on this 25th day of June 2019, to:

Kelsey National Corporation
3030 S. Bundy Dr.
Los Angeles, CA 90066

CERTIFIED MAIL NO. 9214 8902 0982 7500 0217 99

and a copy was delivered to:
Jeanette Pearce
Regulated Industry Services Division



Sandra LaVenue
Senior Counsel

Sherry Standerfer

From: Sandra LaVenue
Sent: Friday, July 19, 2019 11:42 AM
To: Nayri Horvat
Cc: Sharon Fletcher; Sherry Standerfer
Subject: RE: Kelsey National Corp/18-0469-DIS

I'll let my legal assistant know.


Thanks for your quick response.

From: Nayri Horvat [<mailto:nh@kelsey.com>]
Sent: Friday, July 19, 2019 11:27 AM
To: Sandra LaVenue
Cc: Sharon Fletcher
Subject: RE: Kelsey National Corp/18-0469-DIS

Hi Ms. LaVenue,

Our office did receive the certified mail while I was out of the office. You have our correct address. Please let me know if you need additional information.

Thank you,
Nayri

Nayri Horvat | Chief Operating Officer | Kelsey National Corporation |   310.437.7257 |  nh@kelsey.com

From: Sandra LaVenue <Sandra.LaVenue@oid.ok.gov>
Sent: Friday, July 19, 2019 7:50 AM
To: Nayri Horvat <nh@kelsey.com>
Subject: RE: Kelsey National Corp/18-0469-DIS

Nayri,

OID has not received confirmation that Kelsey has picked up the certified mail containing the Stipulation and Agreed Order mailed on June 25th. This could be an issue with USPS, but if not, it is imperative that OID have the correct mailing address for Kelsey and that someone is actually picking up the certified mail.

Regards,

Sandra LaVenue
Senior Counsel

From: Nayri Horvat [<mailto:nh@kelsey.com>]
Sent: Tuesday, June 25, 2019 3:22 PM

To: Sandra LaVenue

Subject: Automatic reply: Kelsey National Corp/18-0469-DIS

I am currently out of the office with limited access to emails. I will respond to your email upon my return on Tuesday, July 2nd.

Thank you,

Nayri Horvat