

BEFORE THE INSURANCE COMMISSIONER OF THE  
STATE OF OKLAHOMA

**FILED**  
SEP 05 2018  
INSURANCE COMMISSIONER  
OKLAHOMA

STATE OF OKLAHOMA, ex rel. JOHN D. )  
DOAK, Insurance Commissioner, )  
 )  
Petitioner, )  
v. )  
 )  
EXCHANGE BANK AND TRUST CO., )  
an insurance agency, )  
 )  
Respondent. )

Case No. 18-0640-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 his attorney, Sara A. Worten, and alleges and states as follows:

**JURISDICTION**

1. John D. 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.*

2. Respondent Exchange Bank & Trust Company (“Respondent”) is a resident insurance agency holding Oklahoma license number 100103640. Its address of record is 523 Delaware Street, Perry, Oklahoma.

3. The Insurance Commissioner may place on probation, censure, suspend, revoke or refuse to issue or renew a license issued pursuant to the Oklahoma Producer 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. § 1435.13(A) and (D).*

### ALLEGATIONS OF FACT

1. Oklahoma Insurance Department's records show that Respondent's license became inactive on January 31, 2018, for failing to renew.
2. Respondent submitted an application to reinstate its producer license on August 3, 2018.
3. *36 O.S. § 1435.7(B)* requires business entity producers to maintain an insurance producer license. Respondent failed to maintain an active license while conducting insurance business during the period of February 1, 2018 through August 3, 2018. During this time, 232 insurance policies were sold.

### CONCLUSIONS OF LAW

1. Pursuant to *36 O.S. § 1435.7(B)*, a business entity acting as an insurance producer is required to maintain an insurance producer license.
2. Respondent violated *36 O.S. § 1435.4(A)* in failing to maintain an active producer license while conducting an insurance-related business, thereby in violation of *36 O.S. § 1435.13(A)(2)*.

### ORDER

**IT IS THEREFORE ORDERED, ADJUDGED AND DECREED** by the Insurance Commissioner, subject to the following paragraph, that the Respondent violated *36 O.S. § 1435.13(A)(2)* and as a result **Respondent is FINED** in the amount of **\$1,000.00**. **The Fine is to be paid within 30 days of receipt of this Order.**

**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 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 Sara A. Worten, Oklahoma Insurance Department, Legal Division, 3625 NW 56<sup>th</sup> Street, 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 5<sup>th</sup> day of September, 2018.



JOHN D. DOAK  
INSURANCE COMMISSIONER  
STATE OF OKLAHOMA

A handwritten signature in black ink, appearing to read "Sara A. Worten", written over a horizontal line.

Sara A. Worten  
Assistant General Counsel  
3625 NW 56<sup>th</sup> Street, Suite 100  
Oklahoma City, OK 73112  
Telephone: (405) 521-2746

**CERTIFICATE OF MAILING**

I, Sara A. Worten, hereby certify that a true and correct copy of the above and foregoing Conditional Administrative Order and Notice of Right to be Heard was sent by certified mail with postage prepaid and return receipt requested on this 5<sup>th</sup> day of September, 2018 to:

Connelly Wade and Andrea Bendele  
Exchange Bank & Trust Co.  
P.O. Box 797  
Perry, OK 73077

CERTIFIED MAIL NO:  
9214 8902 0982 7500 0124 90

and

Notification was sent to:

All Appointing Insurers/RIRS

and

a copy was delivered to:

Licensing Division

  
Sara Worten



18-0042-Dis  
8AW

Date Produced: 09/10/2018

OKLAHOMA INSURANCE DEPARTMENT:

The following is the delivery information for Certified Mail™/RRE item number 9214 8902 0982 7500 0124 90. Our records indicate that this item was delivered on 09/06/2018 at 08:53 a.m. in PERRY, OK 73077. The scanned image of the recipient information is provided below.

Signature of Recipient :

*U. Mans*  
*DENISE MANS*

Address of Recipient :

*794*

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Sincerely,  
United States Postal Service

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