

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

STATE OF OKLAHOMA ex rel. )  
GLEN MULREADY, Insurance Commissioner, )  
 )  
Petitioner, )  
 )  
v. )  
 )  
 )  
GENEVA INSURANCE COMPANY, a licensed )  
insurer in the State of Oklahoma, )  
 )  
Respondent. )

**FILED**  
JUL 23 2019  
INSURANCE COMMISSIONER  
OKLAHOMA

Case No. 18-0773-DIS

**ORDER OF SUSPENSION OF CERTIFICATE OF AUTHORITY**

COMES NOW the State of Oklahoma, ex rel. Glen Mulready, Insurance Commissioner, having reviewed information received relating to Geneva Insurance Company, an Indiana domiciled insurance company (the "Company" or "Geneva"), and finds and orders as follows:

**JURISDICTION AND AUTHORITY**

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 et seq.

2. Geneva is an Oklahoma foreign insurer authorized to transact the following lines of insurance business: property and casualty. Geneva operates in the State of Oklahoma pursuant to Certificate of Authority number 0447 and NAIC Company Code number 10648.

**FINDINGS OF FACT**

1. Geneva was ordered into receivership for purposes of liquidation by the Marion Circuit Court in Marion County, Indiana on July 8, 2019. Stephen W. Robertson, Insurance Commissioner of the Department of Insurance of the State of Indiana, was appointed as the

Liquidator. Geneva consented to the entry of the Final Order of Liquidation. A copy of the Final Order of Liquidation is attached as Petitioner's Exhibit A.

2. Geneva no longer meets the minimum surplus as regards to policyholders requirement set forth at 36 O.S. § 612.1. Accordingly, Oklahoma law mandates the revocation or suspension of Geneva's certificate of authority in the State of Oklahoma pursuant to 36 O.S. § 618.

3. The Company is in such a financial condition as to render its further transaction of insurance in the State of Oklahoma hazardous to its policyholders and/or the people of the State of Oklahoma within the meaning of 36 O.S. § 619(A)(3) and O.A.C. 365: 25-7-42.

#### **CONCLUSIONS OF LAW**

1. Pursuant to 36 O.S. §§ 618 and 619, the Insurance Commissioner has the authority to restrict the Respondent's insurance writings and suspend conduct of its insurance business in Oklahoma.

2. Pursuant to 36 O.S. §§ 618 and 619, the Insurance Commissioner, based on the above findings of fact, concludes as a matter of law that Respondent should be suspended from conducting business in Oklahoma; however, the Company may continue to service existing policies, adjust claims under existing policies and do all matters necessary to attend to existing Oklahoma business and to abide by the terms of the Final Order of Liquidation.

#### **ORDER**

**IT IS THEREFORE ORDERED** that Geneva Insurance Company is suspended from doing business in Oklahoma from the date of the filing of this Order. Geneva Insurance Company may continue to service existing policies, adjust claims under existing policies and do all matters necessary to attend to existing Oklahoma business and to abide by the terms of the

Final Order of Liquidation. Geneva Insurance Company's actions enumerated in the Findings of Fact above constitute behavior that is a detriment to the public and constitutes a threat of immediate danger and significant, imminent and irreparable public injury that is likely to continue if Geneva Insurance Company is allowed to write new or renewal business; therefore, this Order shall take effect immediately.

**IT IS FURTHER ORDERED** that Geneva Insurance 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 Barron B. Brown, Assistant 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 unless stayed by the Commissioner.

Any such hearing shall be conducted according to the procedures for contested cases under the Oklahoma Insurance Code, 36 O.S. §§ 101 et seq., the Administrative Procedures Act, 75 O.S. §§ 250 et seq. and O.A.C. 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.

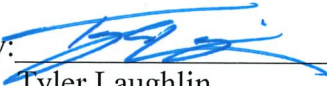
**IT IS FURTHER ORDERED** that if no hearing is requested within thirty (30) days of receipt of this Order, this Order shall become a Final Order.

WITNESS My Hand and Official Seal this 23 day of July, 2019.

GLEN MULREADY  
INSURANCE COMMISSIONER  
STATE OF OKLAHOMA





By:   
Tyler Laughlin  
First Deputy Insurance Commissioner  
Oklahoma Insurance Department

**CERTIFICATE OF MAILING**

I, Barron B. Brown, hereby certify that a true and correct copy of the above and foregoing *Order of Suspension of Certificate of Authority* was mailed by certified mail, with postage prepaid and return receipt requested, on this 23<sup>rd</sup> day of July, 2019, to:

Elizabeth Star, Secretary Treasurer  
Geneva Insurance Company  
14 Angela Crescent  
St. Davids, Ontario  
Canada, L0S 1J1

**CERTIFIED MAIL NO.**

John T. Murphy  
Ice Miller LLP  
One American Square  
Indianapolis, IN 46282

9214 8902 0982 7500 0227 03

**CERTIFIED MAIL NO.**

Stephen W. Robertson, Insurance Commissioner  
Indiana Department of Insurance  
311 W. Washington St.  
Indianapolis, IN 46204


9214 8902 0982 7500 0227 10

**CERTIFIED MAIL NO.**

and notification was sent to NAIC/RIRS

and that a copy was delivered via electronic mail to:

Angela L. Ohlmann, [aohlmann@ingardus.com](mailto:aohlmann@ingardus.com)  
Oklahoma Insurance Department Financial Division

  
Barron B. Brown  
Assistant General Counsel

Registered No.

RE349586394US

Date Stamp

0029  
12

To Be Completed By Post Office	Postage \$	\$2.71	Extra Services & Fees (continued)
	Extra Services & Fees		<input type="checkbox"/> Signature Confirmation
	<input type="checkbox"/> Registered Mail \$	\$16.00	<input type="checkbox"/> Signature Confirmation
	<input type="checkbox"/> Return Receipt (hardcopy) \$	\$4.10	<input type="checkbox"/> Restricted Delivery
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	<input type="checkbox"/> Restricted Delivery \$		<b>Total Postage &amp; Fees</b>
			\$22.81
Customer Must Declare Full Value		\$0.00	Received by
			07/26/2019



Domestic insurance up to \$50,000 is included based upon the declared value. International indemnity is limited. (See Reverse).

**OFFICIAL USE**  
OKLAHOMA CITY, OK 73112

To Be Completed By Customer (Please Print) All Entries Must Be in Ballpoint or Typed	FROM	Oklahoma Insurance Department Legal Division 3625 N.W. 56TH Street, Suite 100 Oklahoma City, OK 73112
	TO	Elizabeth Star Geneva Insurance Company 14 Angela Crescent St. Davids, Ontario Canada, L0S 1J1 18-0773-DIS/BBB(mt) (Order 7-23-19)

PS Form **3806, Registered Mail Receipt** Copy 1 - Customer  
 April 2015, PSN 7530-02-000-9051 (See Information on Reverse)  
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Completed by the office of origin. (A remplir par le bureau d'origine.)

Item Description (Nature de l'envoi)	<input type="checkbox"/> Registered Article (Envoi recommandé)	<input type="checkbox"/> Insured Parcel (Colis avec valeur déclarée)
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Article Number (Numéro d'article)	Insured Value (Valeur déclarée)
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Office of Mailing (Bureau de dépôt)	Date of Posting (Date de dépôt)
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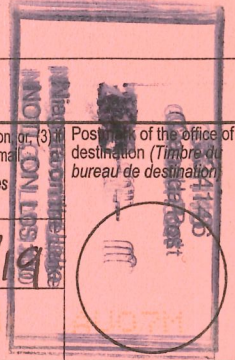
Elizabeth Star  
Geneva Insurance Company  
14 Angela Crescent  
St. Davids, Ontario  
Canada, L0S 1J1  
18-0773-DIS/BBB(mt)  
(Order 7-23-19)

Article (Nom ou raison sociale du destinataire)  
 RECEIVED  
 OKLAHOMA INSURANCE DEPARTMENT  
 AUG 19 2019  
 Legal Division

Completed at destination. (A compléter à destination.)

This receipt must be signed by: (1) the addressee; or, (2) a person authorized to sign under the regulations of the country of destination; or, (3) Postmark of the office of destination (Timbre de bureau de destination)  
 (Cet avis doit être signé par le destinataire ou par une personne autorisée en vertu des règlements du pays de destination, ou, si ces règlements le comportent, par l'agent du bureau de destination, et renvoyé par le premier courrier directement à l'expéditeur.)

Office of Destination Employee Signature (Signature de l'agent du bureau de destination)	Date
<i>[Signature]</i>	Aug 19/19
Signature of Addressee (Signature du destinataire)	
<i>[Signature]</i>	





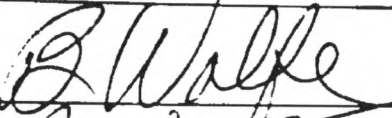
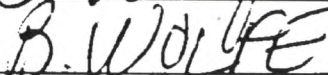
18-0773-015  
(Murphy) BBB

Date Produced: 08/12/2019

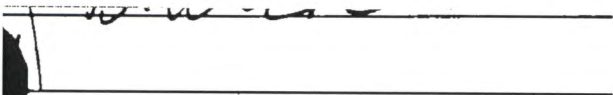
OKLAHOMA INSURANCE DEPARTMENT:

The following is the delivery information for Certified Mail™/RRE item number 9214 8902 0982 7500 0227 03. Our records indicate that this item was delivered on 08/05/2019 at 10:05 a.m. in INDIANAPOLIS, IN 46204. The scanned image of the recipient information is provided below.

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JOHN T MURPHY  
ICE MILLER LLP  
ONE AMERICAN SQUARE  
INDIANAPOLIS IN 46282

Customer Reference Number: C1514235.8397085





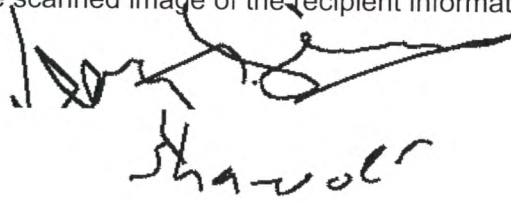
B-0773-DIS  
(Robertson) BBB

Date Produced: 08/05/2019

OKLAHOMA INSURANCE DEPARTMENT:

The following is the delivery information for Certified Mail™/RRE item number 9214 8902 0982 7500 0227 10. Our records indicate that this item was delivered on 07/30/2019 at 12:33 p.m. in INDIANAPOLIS, IN 46204. The scanned image of the recipient information is provided below.

Signature of Recipient :



Robertson

Address of Recipient :



311 W Washington St

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Sincerely,  
United States Postal Service

The customer reference number shown below is not validated or endorsed by the United States Postal Service. It is solely for customer use.

This USPS proof of delivery is linked to the customers mail piece information on file as shown below:

STEPHEN W ROBERTSON INSURANCE COMMISSIONER  
INDIANA DEPARTMENT OF INSURANCE  
311 W WASHINGTON ST  
INDIANAPOLIS IN 46204-2717

Customer Reference Number: C1514235.8397086



STATE OF INDIANA )  
 ) SS:  
COUNTY OF MARION )

IN THE MARION CIRCUIT COURT  
CAUSE NO. 49C01-1809-MI-039316

STEPHEN W. ROBERTSON, as the Insurance )  
Commissioner of the Department of Insurance )  
of the State of Indiana, )  
 )  
Petitioner, )  
 )  
v. )  
 )  
GENEVA INSURANCE COMPANY )  
 )  
Respondent. )

**FILED**  
July 8, 2019  
*Myla R. Eldridge*  
CLERK OF THE COURT  
MARION COUNTY  
JS

**FINAL ORDER OF LIQUIDATION**

On the 2<sup>nd</sup> day of July 2019, Stephen W. Robertson, as the Commissioner of the Department of Insurance of the State of Indiana (“Commissioner”), filed a Verified Petition for Liquidation by Consent (“Verified Petition”) against Geneva Insurance Company (“Geneva” or the “Company”), pursuant to Ind. Code § 27-9-3-6. Having considered the Verified Petition, the exhibits attached thereto, and the Consent of the Company to Liquidation, and being duly advised, the Court now Finds and Concludes that:

1. Geneva is an Indiana domiciled non-standard auto insurance company. Geneva issued policies to drivers whose risk factors make it difficult or impossible to obtain auto insurance at standard or preferred rates. Geneva is licensed to do business as an insurer in Indiana, Oklahoma, and Arizona. The Commissioner ordered Geneva, on September 10, 2018, to stop writing business in all states.
2. This Court appointed the Commissioner as Rehabilitator of Geneva, by the Order of Rehabilitation, on October 3, 2018, pursuant to Ind. Code § 27-9-3-2. The Rehabilitator appointed Michael P. Kilkenny, in his capacity as Chief Executive Officer of Ingardus, LLC, as



Special Deputy Rehabilitator of Geneva (the "Special Deputy"). The Rehabilitator filed notice of the appointment with the Court on October 18, 2018.

3. The Rehabilitator has taken actions to reduce the policy count, payroll, and disbursements of Geneva, as set out in the First Accounting and Report of Rehabilitation. However, the Rehabilitator has been unable to reduce all expenses that continue to burden the financial condition of Geneva.

4. The Rehabilitator has determined that Geneva remains in such condition that the further transaction of business would be hazardous, financially, to its policyholders, creditors, or the public.

5. Geneva, as set out in the Verified Petition for Rehabilitation by Consent, required an immediate minimum capital infusion of not less than one million nine hundred sixty-three thousand seven hundred twenty-four dollars (\$1,963,724), to bring the Company back into compliance with statutory financial requirements for operation of an insurance company. Geneva would have needed an injection of further capital, in order to maintain day-to-day operations going forward. The shareholders of Geneva were unable or unwilling to contribute any additional capital to Geneva.

6. Geneva's Financial Statement as of March 31, 2019 also shows Geneva's capital stock and surplus is five hundred eighty nine thousand one hundred ninety three dollars (\$589,193), which is inadequate, and in violation of Ind. Code § 27-1-6-14 (c) and (e).

7. It is therefore necessary and appropriate that an Order of Liquidation be entered against Geneva, pursuant to the authority granted by Ind. Code § 27-9-3-6. The Commissioner has given Geneva notice of this liquidation proceeding to Geneva's Secretary Treasurer, Elizabeth Star. Ms. Star has reviewed this Verified Petition and the proposed Order of

Liquidation. Ms. Star has consented to the entry of an Order of Liquidation, and waived a hearing on this Verified Petition.

8. Given the consent of the Company to the Verified Petition and Order of Liquidation, and its waiver of a hearing, a hearing on this Verified Petition is not necessary, since there would be no opposition by the Company or its prior management to the relief sought in the Verified Petition.

9. It is essential to protect Geneva's policyholder claimants by further reducing expenses, and by protecting Geneva from direct actions in other courts against the Company. Any such actions should be addressed within the claims procedures of the liquidation proceeding, in this Court. Entry of a liquidation order will halt litigation under Ind. Code § 27-9-3-12, and bring adjudication of all existing claims within this receivership proceeding.

10. Under Ind. Code § 27-9-3-8, all policies of an insurer, other than life, health or annuity policies, terminate thirty (30) days after entry of an order of liquidation, in the absence of transfer of the policy obligations pursuant to reinsurance.

11. Geneva has no current policies in force. Therefore, no insurance policies will cancel by operation of statute as a result of a liquidation order.

12. Geneva should be liquidated for the protection of its policyholder claimants.

13. The Verified Petition should be granted, and all Exhibits thereto approved.

NOW THEREFORE, Having made said Findings and Conclusions, the Court now grants the Verified Petition, and approves said Exhibits. It is hereby ORDERED, ADJUDGED and DECREED that:

14. The Commissioner and his successors in office are appointed as Liquidator of Geneva, pursuant to Ind. Code 27-9-3 ("Liquidator").

15. The Liquidator is hereby bestowed with all authority and powers of a Liquidator, including but not limited to authority to:

(a) Appoint a special deputy to act for the Liquidator, and determine a reasonable compensation for that special deputy.

(b) Employ employees and insurance producers, legal counsel, actuaries, accountants, appraisers, consultants, and other personnel as the Liquidator considers necessary to assist in the liquidation.

(c) Fix the reasonable compensation of employees and insurance producers, legal counsel, actuaries, accountants, appraisers, and consultants.

(d) Pay reasonable compensation to persons appointed and defray from the funds or assets of the insurer all expenses of taking possession of, conserving, conducting, liquidating, disposing of, or otherwise dealing with the business and property of Geneva.

(e) Enter into, affirm, or disavow contracts on behalf of Geneva.

16. The Liquidator shall as soon as possible take possession of the assets of Geneva and administer them under the general supervision of this Court.

17. The Liquidator is vested with title to all of the property, contracts, and rights of action and all of the books and records of Geneva, wherever located.

18. No action at law or equity may be brought against Geneva or the Liquidator, whether in Indiana or elsewhere, nor shall any existing actions be maintained or further presented. All existing actions against Geneva shall be stayed permanently, and may be pursued only as claims in the liquidation proceeding in this Court. The rights and liabilities of Geneva's creditors, policyholders, shareholders, and all other persons interested in its estate are fixed as of the date of entry of this Order.



19. The Liquidator shall file accountings with this Court at six (6) month intervals.

20. The Liquidator shall send notice of this Order within sixty (60) days of its entry in the following manner:

(a) As to policyholders and other claimants or potential claimants, known or reasonably expected to have claims against the insurer, by first class mail, substantially in the form of Exhibits B and C, as set out below.

(b) To the state insurance commissioners of Oklahoma and Arizona.

(c) To the state guaranty associations applicable to Geneva.

(d) As to insurance producers of Geneva, by first class mail, substantially in the form of Exhibit D, as set out below.

(e) ) First-class mail to the secretary of state's office; and

(f) Publication in a newspaper of general circulation in the county in which Geneva has its principal place of business and in all other locations the liquidator considers appropriate, substantially in the form of Exhibit E.

21. Notice of the liquidation order shall be given only to policyholders whose policies were in force within one hundred twenty (120) days of the date when notice is sent. Geneva shall maintain its post office box that receives all claims notices.

22. Notice of the liquidation order shall be given only to insurance producers with policyholder clients whose policies were in force within one hundred twenty (120) days of the date when notice is sent.

23. The forms of notice attached to the Verified Petition as Exhibits B, Exhibit C, Exhibit D, and Exhibit E, are approved.

24. The Liquidator shall employ a Proof of Claim in substantially the form of Exhibit F to the Verified Petition. The Liquidator shall include said form in the applicable mailings to be sent in accordance with paragraph 20 above. The Liquidator shall provide a copy of the Proof of Claim to anyone who submits a written request therefor.

25. The date after which the filing of claims in the liquidation are barred shall be June 30, 2021. ("Bar Date").

26. Any person or entity wishing to make a claim of any sort against Geneva shall mail a completed Proof of Claim form as directed in the Proof of Claim, by first-class United States mail, post-marked not later than the Bar Date.

The Court expressly determines that there is no just reason for delay and expressly directs entry of this order as a final judgment.

Dated: **July 8, 2019**

*Sheryl Lynch*

JUDGE, Marion Circuit Court

Copies to:

John T. Murphy  
Ice Miller LLP  
One American Square  
Indianapolis, IN 46282

Elizabeth Star, Secretary Treasurer  
Geneva Insurance Company  
14 Angela Crescent  
St. Davids, Ontario  
Canada. L0S 1J1

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