

3. Respondent appeared in person with counsel, Jeff Hatfield.
4. The Insurance Commissioner appointed Leamon Freeman to hear the case as the independent Hearing Examiner.
5. The Hearing was recorded electronically by employees of the Oklahoma Insurance Department. Neither party requested a full stenographic record of the proceedings.

FINDINGS OF FACT

1. Both parties agreed to stipulate to the allegations of facts as listed in the Notices of Hearing and Orders to Show Cause issued in the above referenced matters. Specifically, they are as follows:

Case Number 08-1450-DIS

a. Hazelwood submitted to the Oklahoma Insurance Department (“Department”) her July 2008 Monthly Surety Report for bail bonds issued under power of attorney of Safety National Casualty Corporation (“Safety National”). However, Hazelwood did not remit the statutorily required monthly fee known as a “reviewal” fee. The reviewal fee is calculated as 2/10 of 1% of the new liability written and Hazelwood’s obligation to the State of Oklahoma for July 2008 was calculated as \$779.64.

b. The Department notified Hazelwood of her failure to remit the July 2008 reviewal fee by letter dated August 19, 2008. She was ordered to add the fee to her August 2008 report and submit it no later than September 15, 2008. Hazelwood did not respond to the Department.

c. A Department audit of the Cleveland County, Oklahoma Court Clerk’s monthly bond reports revealed a bond issued by Hazelwood under power of Safety National had not been reported by her in her July 2008 report. On September 5, 2008 the Department sent, by certified

mail, a letter ordering her to report the bond no later than September 15, 2008

d. Hazelwood submitted her August 2008 Safety National monthly bond report on September 16, 2008. Hazelwood did not remit the August 2008 reviewal fee calculated to be \$495.83 or the previously unpaid July 2008 reviewal fee. She also failed to report the unreported bond from Cleveland County she was instructed to report by September 15, 2008.

e. On September 26, 2008, Department personnel contacted Hazelwood telephonically about her failure to remit reviewal fees and her failure to report the Cleveland County bond as ordered. Hazelwood was instructed to come to the Department office by 5:00 pm that day to remedy her deficiencies. Hazelwood said she would come to the Department that day. Nevertheless, Hazelwood failed to appear.

f. An audit of the Oklahoma County Court Clerk's monthly bond report revealed 22 bonds written by Hazelwood in September 2008 under power of Safety National which Hazelwood had not reported. Hazelwood was notified on November 4, 2008, via certified mail, of the September 2008 unreported bonds and the failure to remit the appropriate reviewal fees. Hazelwood was ordered to report the bonds by November 14, 2008, which she did. However, Hazelwood did not remit the reviewal fees for these September 2008 Safety National bonds calculated to be \$375.18.

g. Hazelwood submitted her October 2008 monthly surety report for bonds written under power of attorney for Safety National. The report states she issued bonds with a liability of \$284,543.00 and reported the reviewal fees owed the state were \$569.08. Hazelwood failed to submit to fee to the Department.

h. Hazelwood presented check number 1090 on First National Bank of Chickasha,

Oklahoma account number 70018161, account name "In N Out Bail Bonds" in the amount of \$100.00 to the Department for renewal of her bail bond license. The check was not honored and was returned the State Treasurer of Oklahoma for "Not Sufficient Funds." The Department notified Hazelwood by certified mail of the dishonored check and advised her of the \$25.00 charge required by statute. Hazelwood reimbursed the Department for the dishonored check but failed to remit the \$25.00 fee. Department personnel contacted Hazelwood by telephone on November 4, 2008 regarding the \$25.00 due and Hazelwood stated she would send the fee. The \$25.00 has not been submitted to the Department.

Case Number 08-1742-DIS

a. Respondent failed to file her September 2008 U.S. Fire Insurance Company monthly surety report and her September 2008 Safety National Casualty Corporation monthly surety report by October 15, 2008. The reports were delivered via the Department's drop box on November 10, 2008.

Case Number 09-0091-DIS

a. Respondent failed to file her November 2008 U.S. Fire Insurance Company monthly surety report and her November 2008 Safety National Casualty Corporation monthly surety reports by December 15, 2008. The reports were delivered via the Department's drop box on December 29, 2008.

4. The State offered Exhibits One (1) thru Ten (10)A and Exhibits X and Y. Respondent objected to the exhibits. The hearing examiner overruled the objection and admitted the exhibits stating they may assist the hearing examiner with any decision he makes.

CONCLUSIONS OF LAW

1. These proceedings were commenced in accordance with and conducted pursuant to the applicable provisions of the Oklahoma Administrative Procedures Act, OKLA. STAT. tit. 75, §§ 250-323, as amended, and the Oklahoma Bail Bond Code, OKLA. STAT. tit. 59, §§ 1301-1340 as amended.

2. The Commissioner has jurisdiction to conduct this hearing as the Respondent is a licensed bondsman pursuant to OKLA. STAT. tit. 59, §§ 1301-1340, as amended.

3. Respondent was provided lawful service and adequate notice of the time and place of the hearing and was sufficiently advised of the allegations against them as required by OKLA. STAT. tit. 75, § 309, as amended and OKLA. STAT. tit. 59, § 1311, as amended.

4. The Independent Hearing Examiner was properly and legally appointed pursuant to OKLA. STAT. tit. 59, § 1311.1(B).

5. Both parties agreed to stipulate to the alleged violations of law as stated in the Notice of Hearing and Order to Show Cause. Specifically, they are as follows:

Case Number 08-1450-DIS

a. That such conduct by Respondent as alleged is in violation of 59 O.S. § 1310(A)(2), for violation of an order of the commissioner; 59 O.S. § 1310(A)(4)(6)(9), for unlawfully withholding of monies properly belonging to the State of Oklahoma received in the conduct of business under her bail bond license; 59 O.S. § 1310(A)(21) for failing to respond to properly mailed notification within amount of time; 59 O.S. §§ 1310(22), 1314(B)(1), for failing to submit her monthly report; 59 O.S. § 1314(D) for failing to submit the monthly reviewal fee; 59 O.S. § 1310(2)(27), 62 O.S. § 7.1(D) for uttering an insufficient check to the Commissioner

and failing to remit the returned check fee.

Case Number 08-1742-DIS

a. Respondent has violated 59 O.S. § 1310(A)(22), 1314(B), and OKLA. ADMIN. CODE 365:25-5-36, by failing to timely file her September 2008 U.S. Fire Insurance Company monthly surety report and her September 2008 Safety National Casualty Corporation monthly surety report.

Case Number 09-0091-DIS

a. Respondent has violated 59 O.S. § 1310(A)(22), 1314(B), and OKLA. ADMIN. CODE 365:25-5-36, by failing to timely file her November 2008 U.S. Fire Insurance Company monthly surety report and her November 2008 Safety National Casualty Corporation monthly surety report.

ORDER

1. IT IS THEREFORE ORDERED that Respondent is censured and fined in the amount of Six Hundred and No/100 Dollars (\$600.00).

2. IT IS FURTHER ORDERED that Respondent is assessed costs in the amount of Seventy-five and No/100 Dollars (\$75.00).

3. Furthermore, Respondent is to make the following payments:

a. Respondent is to pay Two Hundred Dollars (\$200.00) by March 31, 2009.

b. Respondent is to pay Two Hundred Dollars (\$200.00) by April 30, 2009.

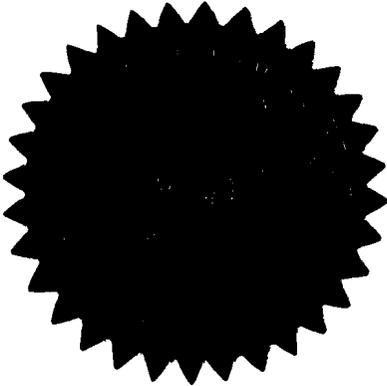
c. Respondent is to pay Two Hundred Seventy-five Dollars (\$275.00) by May 31, 2009.

4. The suspension of Respondent's license in 08-1450-DIS on December 16, 2008 is

vacated.

5. Respondent's appointments in effect at the time of the suspension will remain in effect and no reappointment form shall be necessary.

WITNESS My Hand and Official Seal this 14 day of May 2009.



KIM HOLLAND
INSURANCE COMMISSIONER
STATE OF OKLAHOMA

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

LEAMON FREEMAN
Hearing Examiner
Post Office Box 53408
Oklahoma City, Oklahoma 73152-3408
(405) 521-2746

APPROVED:

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

JOHN MAHONEY
Assistant General Counsel

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

JEFF HATFIELD
Attorney for Respondent

CERTIFICATE OF MAILING

I, hereby certify that a true and correct copy of the above and foregoing Administrative Order was mailed postage prepaid with return receipt requested on this 18 day of May, 2009, to:

Jeff Hatfield, Esq.
217 N. Harvey, Suite 210
Oklahoma City, Oklahoma 73102

Katie Hazelwood
Post Office Box 1792
Oklahoma City, Oklahoma 73101-1792

and that a copy was delivered by electronic mail to:

Robert Noll, Director
Bail Bond Division



JOHN MAHONEY