

BEFORE THE DIVISION OF INSURANCE  
DEPARTMENT OF LABOR AND REGULATION  
STATE OF SOUTH DAKOTA

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IN THE MATTER OF RESERVE            )  
NATIONAL INSURANCE COMPANY        )                    **CONSENT ORDER**  
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In resolution of the above matter and in lieu of issuance of a Notice of Hearing and a formal hearing, the undersigned parties do hereby agree to the following:

RESERVE NATIONAL INSURANCE COMPANY (“RESERVE NATIONAL”), whose address of record is 601 E Britton Rd., Oklahoma City, OK 73114, is an insurance company holding a certificate of authority to transact business in the State of South Dakota;

RESERVE NATIONAL is aware that the South Dakota Division of Insurance (“Division”) has conducted an investigation of its insurance-related activities in South Dakota;

The Division has alleged the following:

- 1) RESERVE NATIONAL failed to keep and maintain all required insurance applications for 5 years, in violation of SDCL §§ 58-1-5, 58-1-26, and ARSD 20:06:01:05;
- 2) Any of the above-cited conduct may be grounds for the revocation or suspension of RESERVE NATIONAL’s certificate of authority pursuant to SDCL §§ 58-1-5, 58-1-26, 58-6-46, 58-29D-13, and ARSD 20:06:01:05;

RESERVE NATIONAL is aware of and understands the nature of the charges and has been informed that it has the right to notice, hearing, and appeal, and that by agreeing to and signing this Consent Order waives these rights;

By the execution of this Consent Order and the payment of a penalty pursuant to this Consent Order, RESERVE NATIONAL does not admit to any such violations of the laws of the State of South Dakota, but understands it waives its right to contest the allegations contained in this Consent Order;

Therefore, and while RESERVE NATIONAL is aware of and understands the nature of the charges and has been informed that it has the right to notice, hearing, and appeal, and while it denies the Division’s allegations, to resolve the matter and avoid the uncertainties of proceeding to a hearing and the outcome thereof, it is agreeable with signing this Consent Order;

In return for RESERVE NATIONAL agreeing to the provisions of this Consent Order, the Division agrees not to proceed to hearing and agrees that this Consent Order will constitute an informal disposition of this licensing matter pursuant to SDCL § 1-26-20;

RESERVE NATIONAL agrees to a monetary penalty in the amount of \$7,500 pursuant to SDCL § 58-4-28.1, in lieu of contesting this matter formally; and

RESERVE NATIONAL further agrees to conduct itself in accordance with the insurance laws and regulations of the State of South Dakota;

RESERVE NATIONAL agrees that this Consent Order may be considered for the purpose of determining the appropriate sanction in any future actions with the Division for any violations of the laws or regulations of the State of South Dakota or for failing to abide by any order of the Director;

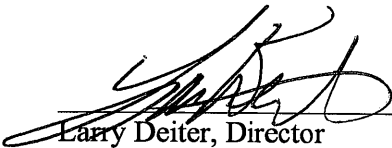
Wherefore, good cause appearing from the foregoing, it is hereby ORDERED that RESERVE NATIONAL pay a monetary penalty in the amount of \$7,500 payable to "South Dakota Division of Insurance" for deposit in the general fund of the State of South Dakota; and it is further

ORDERED that should RESERVE NATIONAL fail to comply with the provisions of this Order, the Division may seek the suspension or revocation of RESERVE NATIONAL's Certificate of Authority at hearing pursuant to SDCL § 58-6-46, or seek other remedies available at law; and it is further

ORDERED that the use of this Consent Order for competitive purposes by an insurance agent or third-party administrator holding a license in the State of South Dakota, or by any company holding a Certificate of Authority, or by anyone on their behalf, may be deemed unfair competition and be grounds for suspension or revocation of said license or authority; and it is further

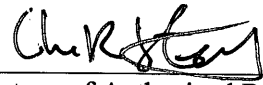
ORDERED that the provisions of this Consent Order shall be effective from the date the Director signs this Order.

Dated at Pierre, South Dakota this 30<sup>th</sup> day of July, 2021.

  
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Larry Deiter, Director  
South Dakota Division of Insurance

The undersigned, on behalf of RESERVE NATIONAL, represents it understands the terms of this Consent Order and the waiver of its due process rights and it voluntarily enters into this Consent Order.

Dated this 23<sup>rd</sup> day of July, 2021.

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Signature of Authorized Representative  
Charles R. Steele  
\_\_\_\_\_  
Printed Name  
President  
\_\_\_\_\_  
Title