

BEFORE THE INSURANCE COMMISSIONER OF THE
STATE OF OKLAHOMA

FILED

JUL 29 2015

INSURANCE COMMISSIONER
OKLAHOMA

STATE OF OKLAHOMA, ex rel. JOHN D. DOAK, Insurance Commissioner,

Petitioner,

vs.

DEREK ENLOE, a licensed insurance producer in the State of Oklahoma,
Respondent.

CASE NO. 15-0845-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 counsel and alleges and states as follows:

JURISDICTION

1. John D. Doak 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. §§ 101-7004.

2. Respondent Derek Enloe (“Respondent”) is a licensed insurance producer in the State of Oklahoma holding license number 0100172798.

ALLEGATIONS OF FACT

1. On or about June 15, 2015, an inquiry letter written by Oklahoma Insurance Department (“OID”) Assistant General Counsel Barron B. Brown regarding Respondent’s insurance business involvement with Alex Tran, an individual prohibited by 36 O.S. § 402(A) from engaging in the business of insurance in the State of Oklahoma, was sent to Respondent.

2. The June 15, 2015 inquiry letter was sent via certified mail to Respondent’s

address filed with the OID and contained within the National Association of Insurance Commissioners (“NAIC”) State Based Systems (“SBS”) Database. The SBS-provided mailing address on record for Respondent is: 8012 N. Rockwell Ave., Oklahoma City, Oklahoma 73132.

3. The thirtieth (30th) day after the date of the inquiry was July 15, 2015.

4. As of the date of this Order, Respondent has failed to provide a response to the June 15, 2015 inquiry letter.

8. A copy of the June 15th inquiry letter that was not timely responded to by Respondent is attached as “Exhibit A.”

ALLEGED VIOLATIONS OF LAW

1. Respondent violated 36 O.S. § 1250.4(B); by failing to furnish an adequate response to an inquiry from the Commissioner within thirty (30) days from the date of the inquiry.

ORDER

IT IS THEREFORE ORDERED that Respondent shall provide a response to the inquiry referenced above and is fined in the amount of Five Hundred Dollars (\$500.00). The response and fine are to be submitted to the Oklahoma Insurance Department within thirty (30) days of the date of this Order. The \$500.00 civil fine shall be paid by money order or cashier’s check.

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 thirty (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 Barron B. Brown, Oklahoma Insurance Department, Legal Division, 3625 NW 56th St., 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 29th day of July, 2015.



JOHN D. DOAK
INSURANCE COMMISSIONER
STATE OF OKLAHOMA

A handwritten signature in black ink, appearing to read "Barron B. Brown", written over a horizontal line.

Barron B. Brown
Assistant General Counsel
3625 NW 56th Street, Suite 100
Oklahoma City, Oklahoma, 73112
(405) 521-2746

CERTIFICATE OF MAILING

I, Barron B. Brown, hereby certify that a true and correct copy of the above and foregoing Conditional Administrative Order and Notice of Right to be Heard was mailed by regular mail and by certified mail, with postage prepaid and return receipt requested, on this 29th day of July, 2015, to:

Derek Enloe
8012 N. Rockwell Ave.
Oklahoma City, OK 73132

CERTIFIED MAIL NO. 7015 0640 0004 4933 8798

and a copy was delivered to:

Lewis Garrison
Anti-Fraud Division



Barron B. Brown
Assistant General Counsel

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<input type="checkbox"/> Adult Signature Required	\$ _____
<input type="checkbox"/> Adult Signature Restricted Delivery	\$ _____

Postage
 \$ _____

Total Postage and Fees
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Sent To
 Derek Enloe
 8012 N. Rockwell Ave.
 Oklahoma City, OK 73132
 rlg/15-0845-DIS(BBB)/Cond. Adm. Ord.

Street and Apt. No., or PO Box

City, State, ZIP+4®

PS Form 3800, April 2015 PSN 7530-02-000-9053

7015 0640 0004 4933 8798

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY																
<ul style="list-style-type: none"> Complete items 1, 2, and 3. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. 	<p>A. Signature <input checked="" type="checkbox"/> <i>Derek Enloe</i> <input type="checkbox"/> Agent <input type="checkbox"/> Addressee</p> <p>B. Received by (Printed Name) <i>Samantha Higdon</i></p> <p>C. Date of Delivery <i>7-31-15</i></p>																
<p>1. Article Addressed to:</p> <p>Derek Enloe 8012 N. Rockwell Ave. Oklahoma City, OK 73132 rlg/15-0845-DIS(BBB)/Cond. Adm. Ord.</p> <p>9590 9403 0272 5155 0729 97</p>	<p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>YES, enter delivery address below: <input type="checkbox"/> No</p> <p>RECEIVED OKLAHOMA INSURANCE DEPARTMENT AUG 04 2015</p> <p>Legal Division</p> <p>3. Service Type</p> <table border="0"> <tr> <td><input type="checkbox"/> Adult Signature</td> <td><input type="checkbox"/> Priority Mail Express®</td> </tr> <tr> <td><input type="checkbox"/> Adult Signature Restricted Delivery</td> <td><input type="checkbox"/> Registered Mail™</td> </tr> <tr> <td><input checked="" type="checkbox"/> Certified Mail®</td> <td><input type="checkbox"/> Registered Mail Restricted Delivery</td> </tr> <tr> <td><input type="checkbox"/> Certified Mail Restricted Delivery</td> <td><input type="checkbox"/> Return Receipt for Merchandise</td> </tr> <tr> <td><input type="checkbox"/> Collect on Delivery</td> <td><input type="checkbox"/> Signature Confirmation™</td> </tr> <tr> <td><input type="checkbox"/> Collect on Delivery Restricted Delivery</td> <td><input type="checkbox"/> Signature Confirmation Restricted Delivery</td> </tr> <tr> <td><input type="checkbox"/> Insured Mail</td> <td></td> </tr> <tr> <td><input type="checkbox"/> Insured Mail Restricted Delivery (over \$500)</td> <td></td> </tr> </table>	<input type="checkbox"/> Adult Signature	<input type="checkbox"/> Priority Mail Express®	<input type="checkbox"/> Adult Signature Restricted Delivery	<input type="checkbox"/> Registered Mail™	<input checked="" type="checkbox"/> Certified Mail®	<input type="checkbox"/> Registered Mail Restricted Delivery	<input type="checkbox"/> Certified Mail Restricted Delivery	<input type="checkbox"/> Return Receipt for Merchandise	<input type="checkbox"/> Collect on Delivery	<input type="checkbox"/> Signature Confirmation™	<input type="checkbox"/> Collect on Delivery Restricted Delivery	<input type="checkbox"/> Signature Confirmation Restricted Delivery	<input type="checkbox"/> Insured Mail		<input type="checkbox"/> Insured Mail Restricted Delivery (over \$500)	
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<p>2. Article Number (Transfer from service label) 7015 0640 0004 4933 8798</p>	<p>PS Form 3811, April 2015 PSN 7530-02-000-9053</p> <p>Domestic Return Receipt</p>																



INSURANCE COMMISSIONER
State of Oklahoma



June 15, 2015

Derek Enloe
8012 N. Rockwell Ave.
Oklahoma City, OK 73132

Certified Mail No.
7015 0640 0004 4933 8293

Mr. Enloe:

The Oklahoma Insurance Department's Legal Division has been made aware that you are currently employing, in some capacity, Mr. Alex Tran. Mr. Tran's application for renewal of his Oklahoma insurance producer license was recently denied due to multiple violations of the Oklahoma Insurance Code (36 O.S. §§ 101 et seq.), including having been convicted of a felony. See 36 O.S. § 1435.13(A)(6). For your reference, Mr. Tran was previously convicted of the following criminal felony charges in the State of New York: Criminal Mischief 2nd; Grand Larceny-Not Auto 4th; Coercion 1st; Grand Larceny-Not Auto 2nd; Unlawful Duplication Comp Related Material; and Identity Theft 1st.

Under 36 O.S. § 402(A) and (B), Mr. Tran is prohibited from engaging in the business of insurance in the State of Oklahoma without the written consent of the Insurance Commissioner. Pursuant to 36 O.S. § 404, the phrase "business of insurance" is defined as follows:

1. The making of or proposing to make, as an insurer, an insurance contract;
2. The making of or proposing to make, as guarantor or surety, any contract of guaranty or suretyship as a vocation and not merely incidental to any other legitimate business or activity of the guarantor or surety;
3. The taking or receiving of any application for insurance;
4. Maintaining any agency or office where any acts in furtherance of an insurance business are transacted, including but not limited to:
 - a. the execution of contracts of insurance with citizens of this or any other state,
 - b. maintaining files or records of contracts of insurance,
 - c. the processing of claims, and
 - d. the receiving or collection of any premiums, commissions, membership fees, assessments, dues or other consideration for any insurance or any part thereof;

5. The issuance or delivery of contracts of insurance to residents of this state or to persons authorized to do business in this state;

6. Directly or indirectly acting as an agent for, or otherwise representing or aiding on behalf of another, any person or insurer in:

- a. the solicitation, negotiation, procurement or effectuation of insurance or renewals thereof,
- b. the dissemination of information as to coverage or rates, or forwarding of applications, or delivery of policies or contracts,
- c. inspection of risks,
- d. fixing of rates or investigation or adjustment of claims or losses,
- e. the transaction of matters subsequent to effectuation of the contract and arising out of it, or
- f. in any other manner representing or assisting a person or insurer in the transaction of insurance with respect to subjects of insurance resident, located or to be performed in this state.

Provided, the provisions of this paragraph shall not operate to prohibit full-time salaried employees of a corporate insured from acting in the capacity of an insurance manager or buyer in placing insurance on behalf of such employer;

7. Contracting to provide indemnification or expense reimbursement in this state to persons domiciled in this state or for risks located in this state, whether as an insurer, agent, administrator, trust, funding mechanism, or by any other method, for any type of medical expenses including, but not limited to, surgical, chiropractic, physical therapy, speech pathology, audiology, professional mental health, dental, hospital, or optometric expenses, whether this coverage is by direct payment, reimbursement, or otherwise;

8. The doing of any kind of insurance business specifically recognized as constituting the doing of an insurance business within the meaning of the statutes relating to insurance;

9. Ownership in whole or in part, directly or indirectly, of any entity involved in the business of insurance;

10. Acquiring or assisting others in the acquisition or attempted acquisition of any entity involved in the business of insurance;

11. Possessing a license, registration or permit issued or approved by the Insurance Commissioner;

12. Any other transactions of business in this state by an insurance company, producer, title insurance producer, adjuster, third-party administrator, service warranty association, title insurer or any other person that is licensed by or registered with the Insurance Commissioner; or

13. The doing of or proposing to do any insurance business in substance equivalent to any of the foregoing in a manner designed to evade the provisions of the statutes.

Please provide a detailed, written explanation as to what role Mr. Tran currently holds with your insurance agency and, within that, what his daily job duties entail. Be advised that Mr. Tran is prohibited, by law, from engaging in any of the acts listed above. Pursuant to 36 O.S. § 1250.4(B), you have thirty (30) days to respond to this inquiry. Your written response should be directed to:

Oklahoma Insurance Department
Attn: Barron B. Brown
Assistant General Counsel, Legal Division
Five Corporate Plaza
3625 NW 56th St., Suite 100
Oklahoma City, OK 73112

Sincerely,



Barron B. Brown
Assistant General Counsel

cc: Lewis Garrison, Tyler Stiles

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Adult Signature Restricted Delivery \$ _____

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Sent To Derek Enloe
 8012 N. Rockwell Ave.
 Street and Apt. No., or P.O. Box Oklahoma City, OK 73132
 City, State, ZIP+4® rlg/15-0585-COR(BBB)/6-15-15 ltr

PS Form 3800, April 2015

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- Print your name and address on the reverse so that we can return the card to you.
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1. Article Addressed to:

Derek Enloe
 8012 N. Rockwell Ave.
 Oklahoma City, OK 73132
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A. Signature Agent Addressee
Samantha M. Higdon

B. Received by (Printed Name) Samantha M. Higdon

C. Date of Delivery 6/15/15

D. Is delivery address different from item 1? Yes
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2. Article Number (Transfer from service label) 7015 0640 0004 4933 8293