

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

**FILED**  
APR 01 2016  
INSURANCE COMMISSIONER  
OKLAHOMA

STATE OF OKLAHOMA, ex rel. JOHN D. DOAK, Insurance Commissioner,	)	
Petitioner,	)	
vs.	)	
	)	Case No. 16-0322-DIS
TRIANGLE INSURANCE COMPANY, INC., a licensed insurance company doing business in the State of Oklahoma,	)	
Respondent.	)	

**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, Dan R. Byrd, 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. §§ 101-7301.
2. Respondent Triangle Insurance Company, Inc. (“Respondent”) is a licensed insurance company doing business in the State of Oklahoma holding NAIC number 28535.

**FINDINGS OF FACT**

1. 36 O.S. § 1655(b)(3)(iii) provides that “The following transactions involving a domestic insurer and any person in its holding company system may not be entered into unless the insurer has notified the Commissioner in writing of its intention to enter into such transaction at least thirty (30) days prior thereto, or such shorter period as the Commissioner may permit, and the Commissioner has not disapproved it within such period. ... (iii) all management agreements, service contracts and all

cost-sharing arrangements; ...”

2. 36 O.S. § 1654(D) provides that “Each registered insurer shall keep current the information required to be disclosed in its registration statement by reporting all material changes or additions on amendment forms provided by the Commissioner within fifteen (15) days after the end of the month in which it learns of each such change or addition; provided, however, that subject to subsection (c) of Section 1655 of this title, each registered insurer shall so report all dividends and other distributions to shareholders within two (2) business days following the declaration thereof.”

3. 36 O.S. § 1658.2(A) provides that “Any insurer failing, without just cause, to file any registration statement, summary, or other information as required in Article 16A of the Insurance Code shall be required, after notice and opportunity for hearing, to pay a penalty of Two Hundred Dollars (\$200.00) for each day’s delay, to be recovered by the Insurance Commissioner. The maximum penalty under this section shall be Twenty Thousand Dollars (\$20,000.00). The Commissioner may reduce the penalty if the insurer demonstrates to the Commissioner that the imposition of the penalty would constitute a financial hardship to the insurer.”

4. Respondent executed a General Agency Crop Insurance Agreement with its affiliate Triangle General Agency, Inc., d/b/a Ag Armour effective July 1, 2015 for which transaction Respondent failed to notify the Commissioner of in writing as required by 36 O.S. § 1655(b)(3)(iii) and failed to disclose such transaction in an amendment to its annual registration statement as required by 36 O.S. § 1654(D).

#### **CONCLUSIONS OF LAW**

1. Respondent has violated 36 O.S. § 1655(b)(3)(iii) for failing notify the Commissioner in writing of the General Agency Crop Insurance Agreement with its affiliate Triangle General Agency,

Inc., d/b/a Ag Armour effective July 1, 2015 as well as 36 O.S. § 1654(D) for failing to disclose such transaction in an amendment to its annual registration statement as required by 36 O.S. § 1654(D).

5. Pursuant to 36 O.S. § 1658.2(A) “Any insurer failing, without just cause, to file any registration statement, summary, or other information as required in Article 16A of the Insurance Code shall be required, after notice and opportunity for hearing, to pay a penalty of Two Hundred Dollars (\$200.00) for each day’s delay, to be recovered by the Insurance Commissioner. The maximum penalty under this section shall be Twenty Thousand Dollars (\$20,000.00). The Commissioner may reduce the penalty if the insurer demonstrates to the Commissioner that the imposition of the penalty would constitute a financial hardship to the insurer.”

**ORDER**

**IT IS THEREFORE ORDERED** that Triangle Insurance Company, Inc. is **FINED** Two Thousand Dollars (\$2,000.00).

Respondent is further notified that it may request a hearing within thirty (30) days of the receipt of this Order concerning this action, and upon such request, the Oklahoma Insurance Department shall conduct a hearing before an independent hearing examiner. A request for hearing shall be made in writing to Dan R. Byrd, Oklahoma Insurance Department, Legal Division, 3625 NW 56<sup>th</sup> St., Suite 100, Oklahoma City, Oklahoma 73112, and **state the basis for requesting the hearing.**

If Respondent does not request a hearing within the thirty (30) days allotted, this Order shall become a FINAL ORDER on the 31<sup>st</sup> day following the receipt of the Order and the fine ordered herein shall be due.

WITNESS My Hand and Official Seal this 15 day of April, 2016.

JOHN D. DOAK  
INSURANCE COMMISSIONER  
STATE OF OKLAHOMA



Dan R. Byrd  
Assistant General Counsel  
3625 NW 56<sup>th</sup> Street, Suite 100  
Oklahoma City, Oklahoma, 73112  
Tel. (405) 522-6330  
Fax (405) 522-0125

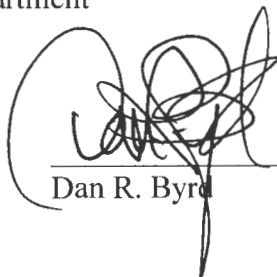
**CERTIFICATE OF MAILING**

I 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 certified, return receipt requested, on this 15<sup>th</sup> day of April, 2016, to:

Triangle Insurance Company, Inc.  
Attn: Darla Gaye Kirk  
P.O. Box 1189  
Enid, OK 73702-1189

**CERTIFIED MAIL NO:  
7015 3010 0001 4604 1515**

Copy to: Ryan Rowe, APIR  
Financial Analyst  
Oklahoma Insurance Department



Dan R. Byrd

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Adult Signature Required \$ \_\_\_\_\_

Adult Signature Restricted Delivery \$ \_\_\_\_\_

Postage  
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**Total Postage and Fees**  
 \$ \_\_\_\_\_

**Sent To**  
 Triangle Insurance Company, Inc.  
 Attn: Darla Gaye Kirk  
 P.O. Box 1189  
 Enid, OK 73702-1189  
**16-0322-DIS/DRB(mt)**  
**(Cond. Adm. Ord. & Notice ~4-01-16)**

PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

**SENDER: COMPLETE THIS SECTION**

- 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.

1. Article Addressed to:

Triangle Insurance Company, Inc.  
 Attn: Darla Gaye Kirk  
 P.O. Box 1189  
 Enid, OK 73702-1189  
**16-0322-DIS/DRB(mt)**  
**(Cond. Adm. Ord. & Notice ~4-01-16)**



2. Article Number (Transfer from service label)

**COMPLETE THIS SECTION ON DELIVERY**

A. Signature  
*[Signature]*

Agent  
 Addressee

B. Received by (Printed Name)  
*Darla Kirk*

C. Date of Delivery  
 APR 08 2016

D. Is delivery address different from item 1?  Yes  
 If YES, enter delivery address below:  No

OKLAHOMA INSURANCE DEPARTMENT  
 Legal Division

3. Service Type

Adult Signature

Adult Signature Restricted Delivery

Certified Mail®

Certified Mail Restricted Delivery

Collect on Delivery

Collect on Delivery Restricted Delivery

Insured Mail

Insured Mail Restricted Delivery (over \$500)

Priority Mail Express®

Registered Mail™

Registered Mail Restricted Delivery

Return Receipt for Merchandise

Signature Confirmation™

Signature Confirmation Restricted Delivery

PS Form 3811, July 2015 PSN 7530-02-000-9053 Domestic Return Receipt