

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

FILED
OCT 26 2016
INSURANCE COMMISSIONER
OKLAHOMA

STATE OF OKLAHOMA, ex rel. JOHN)
DOAK, Insurance Commissioner,)
)
Petitioner,)
)
v.)
)
KYLE BEGGS,)
An applicant for a surplus lines broker)
license,)
Respondent.)

Case No. 16-0983-DEN

CONDITIONAL ADMINISTRATIVE ORDER
AND NOTICE OF RIGHT TO BE HEARD

COMES NOW the State of Oklahoma, ex rel. John Doak, Insurance Commissioner, by and through his counsel, Sara A. Worten, and alleges and states as follows:

JURISDICTION

1. John Doak is the Insurance Commissioner of the State of Oklahoma and is charged with the duty of administering and enforcing all provisions of the Oklahoma Insurance Code, 36 O.S. §§ 101 et seq., including the Unauthorized Insurers and Surplus Lines Insurance Act, 36 O.S. § § 1101 through 1121 and Oklahoma Producer Licensing Act, § § 36 O.S. 1435.1 through 1435.41.
2. Respondent Kyle Beggs (“Respondent”) is an applicant for a surplus lines broker license in the State of Oklahoma. Respondent’s mailing address of record is Post Office Box 1185, Claremore, OK 74018-1185.
3. The Insurance Commissioner may place on probation, censure, suspend, revoke or refuse to issue or renew a surplus lines broker license issued pursuant to 36 O.S § 1435.1 (C) and 36 O.S. § 1435.13 and/or may levy a fine up to \$1,000.00 for each occurrence of a violation of the Oklahoma Insurance Code. 36 O.S. § 1435.13(A) and (D).

ALLEGATIONS OF FACT

1. Respondent applied for a resident surplus lines broker license on or about October 13, 2016, with the Oklahoma Insurance Department (“OID”). On the application form, question 1A asks the following: “Have you ever been convicted of a misdemeanor, had a judgment withheld or deferred, or are you currently charged with committing a misdemeanor?” Respondent answered “no” to this question.

2. The application provides that individual applicants can only exclude “the following misdemeanor convictions or pending misdemeanor charges: traffic citations, driving under the influence (DUI), driving while intoxicated (DWI), driving without a license, reckless driving, or driving with a suspended or revoked license.” Applicants are also permitted to “exclude juvenile adjudications (offenses where you were adjudicated delinquent in a juvenile court).”

3. An Oklahoma Supreme Court Network (“OSCN”) background check by the OID Licensing Division showed that Respondent was convicted of the misdemeanor crime of Contributing to Delinquency of a Minor: In the District Court of Mayes County State of Oklahoma v. Kyle Ross Beggs, Case Number CM-2006-444.

ALLEGED VIOLATIONS OF LAW

1. Respondent violated 36 O.S. § 1435.13(A)(1); providing incorrect, misleading, incomplete or materially untrue information in the license application.

ORDER

IT IS THEREFORE ORDERED by the Insurance Commissioner that Respondent is hereby **CENSURED** and **FINED ONE HUNDRED DOLLARS (\$100.00)** for a violation of 36 O.S. § 1435.13(A)(1). **The \$100.00 fine is to be paid within thirty (30) days** made payable to

the Oklahoma Insurance Department. The \$100.00 civil fine shall be paid by money order or cashier's check. Respondent's application for a resident insurance producer license may be granted upon receipt of payment of the fine and reporting of the administrative action. Failure to pay the civil fine or request a hearing within thirty (30) days will result in your license application being withdrawn.

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 Sara A. Worten, 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 20th day of October, 2016.



JOHN DOAK
INSURANCE COMMISSIONER
STATE OF OKLAHOMA

Sara A. Worten

Assistant General Counsel
3625 NW 56th St., Suite 100
Oklahoma City, OK 73112
(405) 521-2746

CERTIFICATE OF MAILING


I, Sara A. Worten, 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 certified mail, with postage prepaid and return receipt requested, on this _____ day of October, 2016, to:

Kyle Beggs
P.O. Box 1185
Claremore, OK 74018-1185

CERTIFIED MAIL NO. **7016 0910 0000 5833 3776**

and a copy was delivered to:

Karen Wojtek
Licensing Division



Sara A. Worten
Assistant General Counsel

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Sent To
 Kyle Beggs
 P.O. Box 1185
 Claremore, OK 74018-1185
16-0983-DEN/SAW(mt)
(Cond. Adm. Ord. & Notice ~10-26-16)

Street and Apt. No., or PO Box
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PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

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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:

Kyle Beggs
 P.O. Box 1185
 Claremore, OK 74018-1185
16-0983-DEN/SAW(mt)
(Cond. Adm. Ord. & Notice ~10-26-16)

9590 9402 1900 6104 4169 72

COMPLETE THIS SECTION ON DELIVERY

A. Signature
 X *Danielle Small* Agent
 Addressee

B. Received by (Printed Name)
 Danielle Small

C. Date of Delivery
 10-28-16

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 OKLAHOMA INSURANCE DEPARTMENT
 NOV 01 2016
 Legal Division

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2. Article Number (Transfer from service label)
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PS Form 3811, July 2015 PSN 7530-02-000-9053 Domestic Return Receipt