

FILED

APR 05 2022

INSURANCE COMMISSIONER  
OKLAHOMA

Case No. 21-0403-DIS

Respondent.

**COMES NOW** the State of Oklahoma, ex rel. Glen Mulready, Insurance Commissioner, and the Respondent Universal Casualty Risk Retention Group, Inc. (“Respondent”) and stipulate to the following facts and applicable laws. The parties consent to entry of this Consent Order.

1. Glen Mulready 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 Oklahoma Risk Retention Act, *36 O.S. §§ 6451 et seq.*

2. Universal Casualty Risk Retention Group, Inc. is an Oklahoma risk retention group and licensed by the State of Oklahoma as a liability insurance company holding license number 44202943 and NAIC CoCode 16286. Respondent's address of record is 380 N. Broadway, Suite 400, Jericho, NY 11753.

3. A risk retention group chartered for domicile in Oklahoma must be licensed as a liability insurance company and must comply with all the applicable laws, rules, regulations, and requirements. *36 O.S. § 6454.*

4. The Insurance Commissioner has jurisdiction over the subject matter raised in this dispute and may issue penalties pursuant to *36 O.S. §§ 1636 & 1643.*

5. Informal disposition of this matter may be made by consent order pursuant to *75 O.S. § 309(E).*

#### **STIPULATIONS OF FACT**

7. On or about April 1, 2021, the Respondent entered into a reinsurance agreement with the International Underwriting Insurance Company ("Reinsurance Agreement").

8. On or about April 29, 2021, the Respondent submitted a Form D requesting approval for entering into the Reinsurance Agreement. The Oklahoma Insurance Department ("OID") denied this Form D for incorrect process.

9. Respondent did not submit informal notice for Respondent's intent to enter into the Reinsurance Agreement to the OID thirty (30) days prior to entering into the Reinsurance Agreement.

10. To date, the OID has not approved Respondent entering into the Reinsurance Agreement.

11. On or about January 1, 2021, the Respondent renewed the Managing General Agent's Agreement with Inter Insurance Agency Services, Inc. ("MGA Agreement").

12. On or about April 29, 2021, the Respondent submitted a Form D requesting approval for entering into the MGA Agreement. The OID denied this Form D for incorrect process.

13. The OID previously approved the Respondent to enter into an MGA agreement through July 1, 2021.

14. Respondent did not submit informal notice for Respondent's intent to enter into the MGA Agreement to the OID thirty (30) days prior to entering into the renewed MGA Agreement on or about July 2, 2021.

15. To date, the OID has not approved Respondent entering into the MGA Agreement.

16. But for the procedural issues with the Form D filing for the MGA Agreement, the MGA Agreement would have been approved by the OID.

17. Pursuant to *36 O.S. § 1636*, domestic insurers and any person in its insurance holding company system shall not enter into the following agreements unless the insurer has notified the Insurance Commissioner in writing of its intention to enter into the transaction at least thirty (30) days prior thereto and the Insurance Commissioner has not disapproved it within that period:

- a) Reinsurance agreements or modifications; and,
- b) All management agreements.

18. Pursuant to *36 O.S. § 1643*, any insurer failing to file as required *36 O.S. § 1636* shall be required, after notice and hearing, to pay a penalty of \$500.00 for each day's delay with a maximum penalty of \$100,000.00.

#### CONCLUSIONS OF LAW

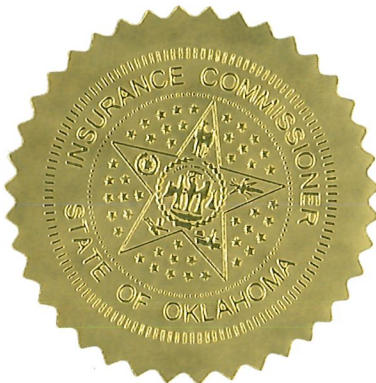
19. Respondent violated *36 O.S. § 1636* on two (2) occasions by failing to notify the Insurance Commissioner in writing of its intention to enter into (1) the Reinsurance Agreement and (2) the MGA Agreement.

**ORDER**

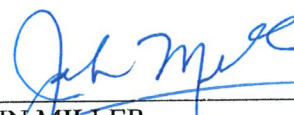
IT IS THEREFORE ORDERED by the Insurance Commissioner and CONSENTED to by the Respondent that Respondent is hereby **fin**ed in the amount of **ONE HUNDRED TWENTY THREE THOUSAND DOLLARS (\$123,000.00)** for two (2) violations of 36 O.S. § 1636. The fine is to be paid within thirty (30) days of this order and made payable to the Oklahoma Insurance Department.

IT IS FURTHER ORDERED by the Insurance Commissioner that the Respondent shall refile separate Form D filings for the Reinsurance Agreement and the MGA Agreement within sixty (60) days. Respondent may be subject to additional fines pursuant to 36 O.S. § 1643 in this matter if the same are not filed within sixty (60) days.

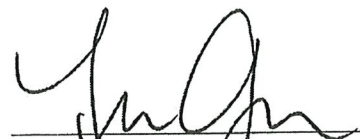
WITNESS My Hand and Official Seal this 5<sup>th</sup> day of April, 2022.

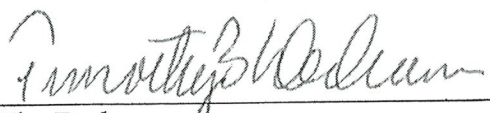


GLEN MULREADY  
INSURANCE COMMISSIONER  
STATE OF OKLAHOMA


  
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JOHN MILLER  
Independent Hearing Examiner

AGREED TO:

  
\_\_\_\_\_  
Teresa L. Green  
Attorney for Petitioner

  
\_\_\_\_\_  
Tim Derham  
Universal Casualty Risk Retention Group, Inc.



  
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Michael Ridgeway  
Attorney for Respondent