

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

FILED
APR 22 2022
INSURANCE COMMISSIONER
OKLAHOMA

STATE OF OKLAHOMA, ex rel. GLEN)
MULREADY, Insurance Commissioner,)
)
Petitioner,)
v.)
)
FIRST UNITED BANK INSURANCE)
SOLUTIONS, INC., a casualty, property, life,)
accident and health insurance company)
licensed in the State of Oklahoma,)
)
Respondent.)

Case No. 22-0212-DIS

CONDITIONAL ADMINISTRATIVE ORDER
AND NOTICE OF RIGHT TO BE HEARD

COMES NOW the State of Oklahoma, ex rel. Glen Mulready, Insurance Commissioner,
by and through counsel, Andrea M. Golden, and alleges and states as follows:

JURISDICTION

1. Glen Mulready 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. §§ 101-7401*, including the Oklahoma Producer Licensing Act, *36 O.S. §1435.1 et seq.*, and the Oklahoma Unauthorized Insurers and Surplus Lines Insurance Act, *36 O.S. §1100 et seq.*
2. Respondent First United Bank Insurance Solutions, Inc., (“Respondent”), holding license number 1008988, is licensed on the State of Oklahoma to write casualty, property, life, accident and health insurance in the State of Oklahoma. Respondent’s address of record is PO BOX 218, Krum, TX 76249.
3. The Insurance Commissioner has jurisdiction over the subject matter raised in this dispute and may issue penalties pursuant to *36 O.S. § 1435.13(A) and (D)* and *36 O.S. § 1435.18(D)*.

4. If Respondent requests a hearing in writing in this matter, pursuant to *OAC 365:1-7-1*, the Insurance Commissioner, pursuant to *36 O.S. § 319*, will appoint an independent hearing examiner who shall sit as a quasi-judicial officer and preside over the hearing requested by Respondent.

5. The Insurance Commissioner, pursuant to *OAC 365:1-7-5*, upon written request reasonably made by a person affected by the hearing and at such person's expense, shall cause a full stenographic record of the proceedings to be made by a competent court reporter.

FINDINGS OF FACT

6. Pursuant to *36 O.S. §1101(A)*, no person in Oklahoma shall in any manner represent or assist any nonadmitted insurer in the soliciting, procuring, placing, or maintenance of any nonadmitted insurance coverage upon or with relation to any subject of insurance resident, located, or to be performed in Oklahoma without being a surplus lines licensee or broker as defined in the Oklahoma Unauthorized Insurers and Surplus Lines Insurance Act.

7. On September 2, 2021, the Oklahoma Insurance Department, ("OID"), issued a Conditional Administrative Order and Notice of Right to be Heard, ("Order"), against Respondent. Respondent was fined One Thousand Dollars (\$1,000.00) for soliciting, procuring, placing, and maintaining nonadmitted insurance coverage to be performed in the State of Oklahoma without being a surplus lines licensee or broker. Respondent paid the fine on September 27, 2022.

8. On January 31, 2022, one hundred fifty-one (151) days, or four (4) months and twenty-nine (29) days after OID issued its Order, Respondent applied for non-resident business entity surplus line license.

9. Upon request by OID, Respondent reported that it did sell, solicit, and/or negotiate surplus line policies on or after September 2, 2021; Respondent issued fourteen (14) surplus line policies with an effective date on and after September 27, 2021, and before January 1, 2022.

10. Pursuant to the Order issued on September 2, 2021, and in accordance with the fine issued and subsequently received on September 27, 2021, Respondent knew and was wholly on notice that it was unlawful to sell, solicit, and/or negotiate surplus line insurance without proper licensure. Respondent continued to act unlawfully by selling, soliciting, and/or negotiating surplus line insurance.

11. Pursuant to the provisions of 36 O.S. §1435.13(A)(2):

A. The Insurance Commissioner may place on probation, censure, suspend, revoke or refuse to issue or renew a license issued pursuant to the Oklahoma Producer Licensing Act or may levy a civil penalty in accordance with subsection D of this section or any combination of actions, for any one or more of the following causes:

2. Violating any insurance laws, or violating any regulation, subpoena or order of the Insurance Commissioner or of another state's Insurance Commissioner.

D. In addition to or in lieu of any applicable denial, probation, censure, suspension or revocation of a license, a person may, after opportunity for hearing, be subject to a civil fine of not less than One Hundred Dollars (\$100.00) nor more than One Thousand Dollars (\$1,000.00) for each occurrence. Said penalty may be enforced in the same manner in which civil judgments may be enforced.

12. Pursuant to 36 O.S. §1435.18(D), *The provisions of this section shall apply to all licenses under... the Unauthorized Insurers and Surplus Lines Insurance Act, Section 1100 et seq. of this title, the Oklahoma Producer Licensing Act, Section 1435.1 et seq. of this title....*

CONCLUSIONS OF LAW

13. Respondent has violated 36 O.S. §1435.13(A)(2) and 36 O.S. §1101(A) by soliciting, procuring, placing, or maintaining fourteen (14) nonadmitted insurance policies to be performed

in Oklahoma without being a surplus lines licensee or broker as defined in the Oklahoma Unauthorized Insurers and Surplus Lines Insurance Act.

ORDER

IT IS THEREFORE ORDERED that Respondent is hereby **CENSURED** and **FINED** Two Thousand Eight Hundred Dollars (**\$2,800.00**). The fine shall be paid within thirty (30) days of the date of this Conditional Administrative Order and made payable to the Oklahoma Insurance Department. The fine shall be sent to the Oklahoma Insurance Department located at 400 NE 50th Street, Oklahoma City, Oklahoma 73105. Failure to comply with a proper order of the Commissioner will result in further administrative action.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED by the Insurance Commissioner that this Order is a Conditional Order. Unless Respondent requests a hearing with respect to the Findings of Fact set forth above within 30 days of the date of this Conditional Order, the penalties set forth above will become a Final Order on the thirty-first (31st) day following the date of mailing this Order. A request for hearing should be in writing and addressed to Andrea M. Golden, Oklahoma Insurance Department, Legal Division, 400 NE 50th Street, Oklahoma City, Oklahoma 73105. The request for hearing must state the grounds for the request to set aside or modify the Order and must be served on the Oklahoma Insurance Department within the 30 days allotted. The proceedings on such requested hearing will be conducted in accordance with the Oklahoma Insurance Code, 36 O.S. §§ 101 *et seq.*, and the *Oklahoma Administrative Procedures Act*, 75 O.S. §§ 250 *through* 324. If Respondent serves a timely request for hearing on the Oklahoma Insurance Department, this Conditional Order will act as a notice of the matters to be reviewed at the hearing and the Findings of Fact, Conclusions 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 22nd day of April 2022.



GLEN MULREADY
INSURANCE COMMISSIONER
STATE OF OKLAHOMA

Andrea M. Golden
Assistant General Counsel
Oklahoma Insurance Department
400 NE 50th Street
Oklahoma City, Oklahoma, 73105
Tel. (405) 521-2746
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 by regular mail and by certified mail, with postage prepaid and return receipt requested, on this 22nd day of April 2022, to:

FIRST UNITED BANK INSURANCE SOLUTIONS, INC
PO BOX 218
Krum, TX 76249

CERTIFIED MAIL NO:
9214 8902 0982 7500 0455 59

and a copy was delivered to:

Licensing Division &
Comptroller Division/Premium & Surplus Lines Tax Division

Andrea M. Golden
Assistant General Counsel

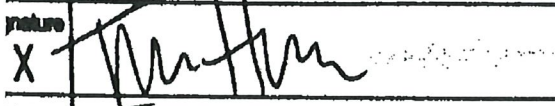


Date Produced: 05/02/2022

OKLAHOMA INSURANCE DEPARTMENT:

The following is the delivery information for Certified Mail™/RRE item number 9214 8902 0982 7500 0455 59. Our records indicate that this item was delivered on 04/26/2022 at 02:59 p.m. in KRUM, TX 76249. The scanned image of the recipient information is provided below.

Signature of Recipient :

Delivery section	
Signature	
Printed Name	TAMAR KIRST

Address of Recipient :

Delivery address	PO BOX 218 KRUM TX 76249
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Sincerely,
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The customer reference number shown below is not validated or endorsed by the United States Postal Service. It is solely for customer use.

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FIRST UNITED BANK INSURANCE SOLUTIONS INC
PO BOX 218
KRUM TX 76249-0218

Customer Reference Number: C3382770.19794438