

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

STATE OF OKLAHOMA, *ex rel.* GLEN )  
MULREADY, *Insurance Commissioner,* )  
 )  
 ) *Petitioner,* )  
 )  
vs. )  
 )  
AXIOM PROD. ADMIN., INC., *a licensed* )  
*nonresident service warranty association,* )  
 )  
 ) *Respondent.* )

Case No.: 23-0729-DIS

**FILED**  
MAR 21 2024  
INSURANCE COMMISSIONER  
OKLAHOMA

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**CONDITIONAL ADMINISTRATIVE ORDER  
AND NOTICE OF RIGHT TO BE HEARD**

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Petitioner, the State of Oklahoma, *ex rel.* Glen Mulready, Insurance Commissioner (“Commissioner”), for this action against Respondent Mulberry Shield, Inc. (“Respondent”), alleges and states as follows:

**JURISDICTION**

1. Glenn Mulready is the Insurance Commissioner of the State of Oklahoma and is charged with enforcing all provisions of the of the Oklahoma Service Warranty Act (the “Act”), Okla. Stat. tit. 15, §§ 141.1, *et seq.* See, 15 O.S. § 141.3; OAC § 365:1-1-3.

2. Respondent has applied for reinstatement of its Oklahoma nonresident service warranty association license No. 44201497, pursuant to the Act, OKLA. STAT. tit. 15, § 141.4.

**RIGHT TO HEARING**

3. Respondent may request that a hearing be held regarding the allegations asserted in this Conditional Order. OAC § 365:1-7-1(b).

4. A request for a hearing must be in writing, whether by mail or electronic mail, must state the specific grounds to be relied upon as a basis for setting aside or modifying this Conditional Order, and should be addressed to Seth D. Coldiron, Assistant General Counsel, Oklahoma Insurance Department, Legal Division, 400 NE 50th Street, Oklahoma City, Oklahoma 73105, or, electronically, [seth.coldiron@oid.ok.gov](mailto:seth.coldiron@oid.ok.gov). OAC § 365:1-7-1(a).

5. All hearings are open to the public, and Respondent has a right to appear in person and with counsel to present evidence, examine witnesses, and make oral arguments. 75 O.S. §§ 309(C) & 310(3) & (5); OAC § 365:1-7-4(a)-(b).

6. If a hearing is requested, a person affected thereby may, at his or her expense, request a stenographic record of the proceeding be made by a competent court reporter. 75 O.S. § 309(G); OAC § 365:1-7-5(a).

7. The proceedings shall be conducted in accordance with the Oklahoma Administrative Procedures Act, OKLA. Stat. tit. 75, §§ 250 *et seq.*, and the promulgated rules pertaining to the Administrative Operations of the Oklahoma Insurance Department, OKLA. ADMIN. CODE, §§ 365:1-7-1 *et seq.* 75 O.S. § 309 & 310; OAC §§ 365:1-7-1 – 365:1-7-9.

#### **FINDINGS OF FACT**

8. Respondent was formerly licensed in Oklahoma as a nonresident service warranty association with license No. 44201497, which expired on November 1, 2023.

9. Service warranty association licenses expire every November 1st and must be renewed annually. 15 O.S. § 141.8.

10. On December 18, 2023, Respondent submitted an Initial Application to reinstate its expired license to the Oklahoma Insurance Department's ("Department's") Regulated Industry Services Division ("RIS").

11. On February 5, 2024, Respondent submitted an Activity Attestation affirming that during the period in which its license was expired it had transacted business by soliciting, negotiating, or procuring service warranties in violation of OKLA. STAT. tit. 15, § 141.4(A).

12. From December 14, 2023, until February 5, 2023, Respondent solicited, negotiated, or procured two hundred and seventy-seven (277) service warranties totaling of Fifty-eight Thousand Five Hundred and Three Dollars and No Cents (\$58,503.00) while not licensed.

13. Further, the Act provides, in pertinent part, “In addition to the license fees provided in the Service Warranty Act for service warranty associations each service warranty association and insurer shall annually, on or before the first day of May, file with the Insurance Commissioner its annual financial statement showing all gross written provider fees or assessments received by it in connection with the issuance of service warranties in this state during the preceding calendar year and other relevant financial information as deemed necessary by the Commissioner.” 15 O.S. § 141.14(A).

14. Respondent failed to file its 2023 Annual Report on or before May 1, 2023.

15. On January 26, 2024, Respondent submitted its 2023 Annual Report after RIS requested that it do so.

16. There are two hundred and seventy-one (271) days between May 1, 2023, and January 26, 2024.

### **CONCLUSIONS OF LAW**

17. Respondent violated the Act, OKLA. STAT. tit. 15, § 141.8, by failing to renew its nonresident service warranty association license No. 44201497 on or before November 1, 2023.

18. Respondent violated the Act, OKLA. STAT. tit. 15, § 141.4(A), by soliciting, negotiating, or procuring service warranties while unlicensed.



19. Respondent violated the Act, OKLA. STAT. tit. 15, § 141.14(A), by failing to file its 2023 Annual Report on or before May 1, 2023.

20. On a first offense, the Commissioner may, if he finds that the association has violated any provisions of the Act, suspend, revoke, or refuse to license or may impose a fine of up to One Hundred Dollars (\$100.00) per violation, which may be augmented by an amount equal to any commissions received by or accruing to the credit of Respondent in connection with any transaction to which the grounds for suspension, revocation, or refusal are related so long as the administrative penalty imposed does not exceed Five Thousand Dollars (\$5,000.00) in the aggregate. 15 O.S. § 141.19.

21. The Commissioner may levy a fine of up to One Hundred Dollars (\$100.00) a day for each day an association neglects to file its financial statement in the form and within the time provided by the Service Warranty Act. 15 O.S. § 141.14(B).

#### **CONDITIONAL ORDER**

**IT IS, THEREFORE, ORDERED, ADJUDGED, AND DECREED** by the Commissioner that Respondent failed to renew its license in violation of the Act, OKLA. STAT. tit. 15, § 141.8, on or before November 1, 2023, and a **FINE** in the amount of **ONE HUNDRED DOLLARS (\$100.00)** is, hereby, imposed.

**IT IS ORDERED, ADJUDGED, AND DECREED** by the Commissioner that Respondent transacted business while unlicensed in violation of the Act, OKLA. STAT. tit. 15, § 141.4(A), by soliciting, negotiating, or procuring service warranties while its license was expired and a **FINE** in the amount of **NINE HUNDRED DOLLARS (\$900.00)** is, hereby, imposed.

**IT IS ORDERED, ADJUDGED, AND DECREED** by the Commissioner that Respondent violated the Act, OKLA. STAT. tit. 15, § 141.14(A), by failing to file its 2023 Annual Report on or

before May 1, 2023, that Respondent filed its 2023 Annual Report two hundred and seventy-one (271) days late on January 26, 2024, and that a **FINE** in the amount of **FOUR THOUSAND DOLLARS (\$4,000.00)** is, hereby, imposed.

**IT IS ORDERED, ADJUDGED, AND DECREED** by the Commissioner that the fines totaling **FIVE THOUSAND DOLLARS (\$5,000.00)** imposed herein **SHALL BE PAID WITHIN THIRTY (30) DAYS** of the date of this Conditional Order. The fines shall be paid by certified cashier's check made payable to the Oklahoma Insurance Department or "OID," with the case number, "Case No. 24-0094-DIS," in the "subject" or "memo" line, and mailed or delivered to:

Oklahoma Insurance Department  
Legal Division  
400 NE 50th Street  
Oklahoma City, OK 73105

Failure to comply with a proper order of the Insurance Commissioner will result in further administrative action.

**IT IS, FURTHER, ORDERED, ADJUDGED, AND DECREED** by the Commissioner that this Order is a Conditional Order. Unless the Respondent requests a hearing with respect to the Findings of Fact set forth above **WITHIN THIRTY (30) DAYS** of the date of this Conditional Order, it and the penalties set forth above will become a Final Order on the thirty-first (31st) day from the date of mailing. If the Respondent timely requests a hearing, this Conditional Order shall serve as 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 withdrawn, pending final resolution at the hearing.

WITNESS my hand and official seal this 21st day of March 2024.



**GLEN MULREADY**  
**INSURANCE COMMISSIONER**  
**STATE OF OKLAHOMA**

**SETH D. COLDIRON** (OBA No. 20041)

ASSISTANT GENERAL COUNSEL

400 NE 50th Street

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*Attorney for Petitioner,  
State of Okla., ex rel. Glen Mulready,  
Ins. Comm'r*

## CERTIFICATE OF MAILING

I, Seth D. Coldiron, hereby certify that a true and correct copy of the above and foregoing was mailed via **CERTIFIED MAIL**, return receipt requested, with postage prepaid, on March 21, 2024, to the following:

*Via certified mail return receipt:*

*Copies delivered to:*

INCorp SERVICES, INC.  
Braniff Bldg.  
324 N. Robinson Ave., Ste 100  
Oklahoma City, OK 73102

Regulated Industry Service Division

Certified Mail: 9589 0710 5270 0679 4473 70

*Respondent's Appointed Service Agent,*

*-and-*

Angie Wilson, Prod. & Compliance Anal.  
AXIOM PRODUCT ADMINISTRATION, INC.  
1 Progress Point Parkway, Ste 101  
O'Fallon, MO 63368

Certified Mail: 9589 0710 5270 0679 4473 87

*Respondent,  
Axiom Prod. Admin, Inc., a licensed  
nonresident service warranty association*

  
**SETH D. COLDIRON**  
ASSISTANT GENERAL COUNSEL