

who shall sit as a quasi-judicial officer and preside over the hearing requested by Respondent.

FINDINGS OF FACT

5. Pursuant to 36 O.S. §624(A), every insurance company doing business in this state shall annually, on or before the first day of March, report under oath of the president or secretary or other chief officer of such company to the Insurance Commissioner the total amount of direct written premiums, membership, application, policy and/or registration fees charged during the preceding calendar year, or since the last return of such direct written premiums, membership, application, policy and/or registration fees was made by such company, from insurance of every kind upon persons or on the lives of persons resident in this state, or upon real and personal property located within this state, and/or upon any other risks insured within this state.

6. Pursuant to 36 O.S. §624(A)(2), every insurance company doing business in this state shall pay to the Insurance Commissioner an annual tax on all direct written premiums, and on all membership, application, policy and/or registration fees, installment and/or finance fees or charges collected thereby, for the privileges of having written, continued and/or serviced insurance on lives, property and/or other risks in this state and of having made and serviced investments therein during the then expiring license year. If any insurance company or other entity liable for the taxes levied pursuant to the provisions of this section fails to remit such taxes in a timely manner, it shall remain liable therefor together with interest thereon at an annual rate equal to the average United States Treasury Bill rate of the preceding calendar year as certified by the State Treasurer on the first regular business day in January of each year, plus four percentage points.

7. Respondent filed its 2020 premium tax return with the Oklahoma Insurance Department (“OID”) which failed to report a property and casualty negative guaranty fund credit in the amount

of ninety-eight dollars and twenty-five cent (-\$98.25).

8. On or about March 23, 2021, the OID emailed Respondent, requesting that it amend its 2020 premium tax return, remit the additional tax due, and recalculate its 2021 Q1 estimated premium tax pre-payment. Respondent failed to respond to OID's email. Respondent also failed to amend its 2020 premium tax return and to recalculate its 2021 Q1 estimated premium tax pre-payment.

9. On or about July 8, 2021, the OID emailed Respondent, again requesting that it amend its 2020 premium tax return, remit the additional tax due, and recalculate its 2021 Q1 and Q2 estimated premium tax pre-payment by July 12, 2021. Respondent failed to respond to OID's email. Respondent also failed to amend its 2020 premium tax return and to recalculate its 2021 Q1 estimated premium tax pre-payment.

10. On or about November 16, 2021, OID mailed Respondent a letter, requesting that it amend its 2020 premium tax return and remit the additional tax due. Additionally, OID requested Respondent recalculate its 2021 Q1 estimated premium tax prepayment in consideration of the amendment. Respondent failed to respond to OID's letter. Respondent also failed to amend its 2020 premium tax return and to recalculate its 2021 Q1 and Q2 estimated premium tax pre-payment.

11. Pursuant to the provisions of *36 O.S. §619*, the Insurance Commissioner may, after opportunity for a hearing, refuse to renew, or may revoke or suspend an insurer's certificate of authority, in addition to other grounds in the Insurance Code, if the insurer:

- a. Violates any provision of the Insurance Code other than those as to which refusal, suspension, or revocation is mandatory.

12. Pursuant to 36 O.S. §619(B), “In addition to or in lieu of any applicable revocation or suspension of an insurer's certificate of authority, any insurer who knowingly and willfully violates this Code may be subject to a civil penalty of not more than Five Thousand Dollars (\$5,000.00) for each occurrence.”

13. Pursuant to 36 O.S. §630, a company’s failure to make tax payments timely “. . . shall subject the insurance company to a penalty of ten percent (10%) of the tax due and said tax and penalty shall be further subject to interest at the rate of six percent (6%) per annum, from the date said payment should have been paid, until the tax, penalty and interest are paid.”

14. Pursuant to 36 O.S. §1250.4(B), “Any person subject to the jurisdiction of the Commissioner, upon receipt of any inquiry from the Commissioner shall, within twenty (20) calendar days from the date of receipt of the inquiry, furnish the Commissioner with an adequate response to the inquiry. The Commissioner may, upon good cause shown and on a case-by-case basis, extend the time allowed for a response for up to seven (7) additional calendar days. Any inquiry or response subject to this subsection shall be delivered electronically.”

CONCLUSIONS OF LAW

15. Respondent has violated 36 O.S. §619(A)(1), 36 O.S. §624(A) and 36 O.S. §624(A)(2) by failing to report the property and casualty negative guaranty fund credit in the amount of ninety-eight dollars and twenty-five cent (\$98.25) on its 2020 premium tax return with the Oklahoma Insurance Department and failing to remit the additional tax due.

16. Respondent has violated 36 O.S. §619(A)(1) and 36 O.S. §1250.4(B) by failing to respond to an inquiry from the Commissioner within twenty (20) calendar days from the date of receipt of the inquiry on three (3) separate occasions.

ORDER

IT IS THEREFORE ORDERED that Respondent is **FINED** in the amount of **Five Hundred Dollars (\$500.00)**. The fine shall be submitted to the Oklahoma Insurance Department 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 Respondent amend its 2020 premium tax return and report the property and casualty negative guaranty fund credit on Line 6b in the amount of -\$98.25.

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 31st day following the date of mailing this Order. A request for hearing should be in writing and addressed to Antuanya “Bo” DeBose, 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 20th day of April 2022.



GLEN MULREADY
INSURANCE COMMISSIONER
STATE OF OKLAHOMA

A handwritten signature in blue ink, appearing to read "A. DeBose".

Antuanya "Bo" DeBose
Assistant General Counsel
Oklahoma Insurance Department
400 NE 50th Street
Oklahoma City, Oklahoma, 73105
Tel. (405) 521-2746
Fax (405) 522-0125
Bo.debose@oid.ok.gov

CERTIFICATE OF MAILING

I hereby certify that a true and correct copy of the above and foregoing *Conditional Order* was mailed by regular mail and by certified mail, with postage prepaid and return receipt requested, on this 20th day of April 2022, to:

Clear Blue Insurance Company
B7 Tabonuco Street Suite 912
Guaynabo, PR 00968

CERTIFIED MAIL NO:
9214 8902 0982 7500 0457 64

Clear Blue Insurance Company
225 W. Washington Street, Suite 1300
Chicago, Illinois 60602-3408
compliance@cbinsgroup.com

CERTIFIED MAIL NO:
9214 8902 0982 7500 0457 71

and a copy was delivered to: Comptroller Division

A handwritten signature in blue ink, appearing to read "A. DeBose".

Antuanya "Bo" DeBose
Assistant General Counsel



21-6447-Dis
(Guaynabo, PR) ASD

Date Produced: 05/09/2022

OKLAHOMA INSURANCE DEPARTMENT:

The following is the delivery information for Certified Mail™/RRE item number 9214 8902 0982 7500 0457 64. Our records indicate that this item was delivered on 05/02/2022 at 12:44 p.m. in GUAYNABO, PR 00968. The scanned image of the recipient information is provided below.

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21-0447 Dis
(Chicago, IL) ASD

Date Produced: 05/09/2022

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The following is the delivery information for Certified Mail™/RRE item number 9214 8902 0982 7500 0457 71. Our records indicate that this item was delivered on 05/04/2022 at 07:57 a.m. in CHICAGO, IL 60606. The scanned image of the recipient information is provided below.

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Signature X	
Printed Name	Breck Rodgers

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STE 1300
225 W WASHINGTON ST
CHICAGO IL 60606-3408

Customer Reference Number: C3388704.19829833