

**FILED**

**JUL 06 2016**

**INSURANCE COMMISSIONER  
OKLAHOMA**

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

**IN RE: ELECTRONIC FILING OF )  
APPLICATIONS, RENEWAL )  
APPLICATIONS, QUARTERLY )  
ADMINISTRATIVE FEES, ANNUAL )  
ADMINISTRATIVE FEES AND ANNUAL )  
STATEMENTS IN THE STATE OF )  
OKLAHOMA )**

**Case No. 16-0607-PRJ**

**TO: ALL SERVICE WARRANTY ASSOCIATIONS  
LICENSED IN THE STATE OF OKLAHOMA**

**JURISDICTION**

1. The Insurance Commissioner, John D. Doak, is charged with the duty of administering and enforcing the provisions of the Oklahoma Insurance Code, 36 O.S. §§ 101 et seq. He also enforces the Service Warranty Act, 15 O.S. §§ 141.1 et seq.

2. Notwithstanding any other provision of law that requires a particular form and associated payment to be filed with the Insurance Department in paper form, or to be mailed or hand-delivered to the Insurance Department, the Insurance Commissioner may, by appropriate order, require that all filings of that specific type be filed or delivered in electronic format. 36 O.S. § 350.

**FINDINGS OF FACT**

1. An application for license as a service warranty association shall be made to, and filed with, the Insurance Commissioner on printed forms as prescribed and furnished by the Insurance Commissioner. 15 O.S. § 141.7(A). A license fee of Four Hundred Dollars (\$400.00) shall accompany the application. 15 O.S. § 141.4(B).

2. Each license issued to a service warranty association shall expire on November 1 following date of issuance. If the association is then qualified under the provisions of the

Service Warranty Act, its license may be renewed annually, upon request, and upon payment to the Insurance Commissioner of the license fee in the amount of Four Hundred Dollars (\$400.00) in advance for each such license year. 15 O.S. § 141.8.

3. Provider fees and assessments received by associations and insurers for service warranties shall be subject to an administrative fee of equal to two percent (2%) of the gross provider fee received on the sale of all service contracts issued in this state during the preceding calendar quarter. The fees shall be paid quarterly to the Insurance Commissioner. However, licensed associations, licensed insurers and entities with applications for licensure as a service warranty association pending with the Department that have contractual liability insurance in place as of March 31, 2009, from an insurer which satisfies the requirements of subsections B and C of Section 7 of this act and which covers one hundred percent (100%) of the claims exposure of the association or insurer on all contracts written may elect to pay an annual administrative fee of Three Thousand Dollars (\$3,000.00) in lieu of the two-percent administrative fee. 15 O.S. § 141.14(D).

4. 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 statement in the form prescribed by the Commissioner 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, using accounting principles which will enable the Commissioner to ascertain whether the financial requirements set forth in Section 7 of this act have been satisfied. 15 O.S. §141.14(A).

5. On November 1, 2014, the following statutory provision in the Oklahoma Insurance Code took effect:

**DUTY TO FILE OR DELIVER PAYMENTS ELECTRONICALLY**

**Notwithstanding any other provision of law that requires a particular form and associated payment to be filed with the Insurance Department in paper form, or to be mailed or hand-delivered to the Insurance Department, the Insurance Commissioner may, by appropriate order, require that all filings of that specific type be filed or delivered in electronic format. 36 O.S. § 350.**

6. This provision of law provides the Insurance Commissioner with the authority, by appropriate order, to require certain forms and associated payments to be filed electronically with the Insurance Department.

7. The Insurance Commissioner finds it proper to prescribe that all service warranty association applications, renewal applications, quarterly administrative fees or annual administrative fee, and annual statements be filed electronically effective with the third quarter administrative fee payment on or before October 31, 2016, and all filings thereafter.

**CONCLUSIONS OF LAW**

1. The Findings of Fact above are adopted, and incorporated by reference in these Conclusions of Law as if fully set forth herein.

**ORDER**

**IT IS THEREFORE ORDERED**, based upon the foregoing Findings of Fact and Conclusions of Law, that all service warranty association applications, renewal applications, quarterly administrative fees or annual administrative fee, and annual statements be filed by electronic format, pursuant to 36 O.S. § 350, as approved by the Commissioner. This Order

takes effect with payment of the third quarter administrative fee due on or before October 31, 2016, and all quarterly administrative fees due thereafter unless an annual Three Thousand Dollars (\$3,000.00) administrative fee is paid on or before April 1, 2017, and all filings thereafter. All renewal applications shall be filed electronically on or before November 1, 2016, and all filings thereafter. All annual statements of financial condition shall be filed electronically on or before May 1, 2017, and all filings thereafter.

**IT IS SO ORDERED.**

**WITNESS** My Hand and Official Seal this 6<sup>th</sup> day of July, 2016.



A handwritten signature in black ink, appearing to read "James Mills", written over a horizontal line.

JAMES MILLS  
CHIEF OF STAFF  
STATE OF OKLAHOMA