

IN THE DISTRICT COURT OF OKLAHOMA COUNTY NOV - 9 2023
STATE OF OKLAHOMA

RICK WARREN
COURT CLERK
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STATE OF OKLAHOMA, ex rel.)
GLEN MULREADY, Insurance)
Commissioner,)
)
Plaintiff,)

v.)

CJ-2023-6377

GO INSURANCE COMPANY, fka)
PEACHTREE CASUALTY)
INSURANCE COMPANY, a licensed)
property and casualty insurer in the)
State of Oklahoma,)

Defendant.

**APPLICATION FOR ORDER DIRECTING INSURER TO SHOW CAUSE
AND REQUEST FOR INJUNCTIVE RELIEF**

COMES NOW the State of Oklahoma, ex rel. Glen Mulready, Insurance Commissioner, by and through his attorney, Teresa L. Green, and requests the Court to issue an order directing Go Insurance Company, formerly known as Peachtree Casualty Insurance Company, (“Go Insurance”) to show cause why an order appointing the Insurance Commissioner as Receiver of Go Insurance should not be granted. The Insurance Commissioner also requests the Court to issue an injunction enjoining Go Insurance from further transacting business or wasting or otherwise disposing of its property and assets until further order of the Court. In support of this Application, the Insurance Commissioner states as follows:

PARTIES, JURISDICTION, AND VENUE

1. Glen Mulready is the duly elected and acting Insurance Commissioner of the State of Oklahoma and as such is charged with the duty of administering and enforcing the Oklahoma Insurance Code. *See* Okla. Const. art. VI, § 22; 36 O.S. § 307.

2. Go Insurance is an Oklahoma domestic property and casualty insurer licensed to transact the business of insurance under the laws of the State of Oklahoma and holding license number 44194518 and NAIC Code Number 25755.

3. The Insurance Commissioner has authority to request the Oklahoma County District Court to issue an order to direct insurers to show cause why it should not be placed in receivership. *See* 36 O.S. § 1903.

4. The Court has jurisdiction over this matter pursuant to the provisions of 36 O.S. § 1902(A), which gives the District Court exclusive original jurisdiction of delinquency proceedings for rehabilitation of an insurer.

5. Venue is proper in the District Court within Oklahoma County pursuant to the provisions of 36 O.S. § 1902(F).

STATEMENT OF VERIFIED FACTS

6. On or about August 28, 2023, The Texas Commissioner of Insurance issued an Emergency Cease and Desist Order against Peachtree Casualty Insurance Company AKA Go Insurance Company. *See* “Exhibit A” attached hereto.

7. At the time of the above order, Go Insurance had not changed its name from Peachtree Casualty Insurance Company to Go Insurance Company with the Texas Commissioner of Insurance.

8. On or about September 8, 2023, the Oklahoma Insurance Department placed Go Insurance into supervision. *See* “Exhibit B” attached hereto.

9. On or about September 13, 2023, the Oklahoma Insurance Commissioner named Donna Wilson as his designated supervisor pursuant to 36 O.S. § 1804. *See* “Exhibit C” attached hereto.

10. As of June 30, 2023, Go Insurance had capital and surplus of negative one million thirty-four thousand nine hundred seventy-four dollars (-\$1,034,974.00).

11. Go Insurance has not maintained Oklahoma's minimum statutory required capital and surplus of one million five hundred dollars (\$1,500,000.00). *See* 36 O.S. § 610(A).

12. Go Insurance has not maintained Texas' minimum statutory required capital and surplus of five million dollars (\$5,000,000.00). *See* Tex. Ins. Code § 822.054.

13. Go Insurance currently has policies written only in Texas.

14. Go Insurance intends to withdraw from Texas and sell policies in Oklahoma.

15. The Supervisor has significant concerns with the underwriting and claim adjudication practices at Go Insurance.

16. During the supervision, Go Insurance promised to increase the capital and surplus. Despite several deadlines provided by the Supervisor, Go Insurance has not increased the capital and surplus to a level required by law.

17. Go Insurance does not possess assets at least equal to all liabilities and required reserves together with its total issued and outstanding capital stock.

18. Pursuant to 36 O.S. § 1901(1), a stock insurer's capital is impaired or it is insolvent when the insurer does "not possess assets at least equal to all liabilities and required reserves together with its total issued and outstanding capital stock."

19. As of this date, Go Insurance is insolvent and remains impaired.

20. As of this date, Go Insurance is in a condition such that the continued operation would be hazardous to the policyholders, the creditors of the insurer, or the general public.

21. The Insurance Commissioner may apply to the District Court for an order appointing the Insurance Commissioner as receiver of and directing the Insurance Commissioner

to rehabilitate Go Insurance if the company is impaired or insolvent or is in a condition such that the continued operation would be hazardous to the policyholders, the creditors of the insurer, or the general public. *See* 36 O.S. § 1905.

22. Since Go Insurance is currently in a condition such that the continued operation would be hazardous to the policyholders, the creditors of the company, or the general public, it is therefore appropriate to place Go Insurance into receivership, to appoint the Insurance Commissioner as Receiver immediately, and to place the Go Insurance into rehabilitation.

23. Pursuant to 36 O.S. § 1904(C), “no bond shall be required of the Insurance Commissioner as a prerequisite for the issuance of any injunction.”

24. Pursuant to 36 O.S. § 1914(F), the Insurance Commissioner may appoint one or more assistant commissioners to act for him and may employ such counsel, clerks, and assistants as are deemed necessary. The Insurance Commissioner appoints Donna Wilson as Assistant Receiver to act for the Insurance Commissioner as Assistant Receiver of Go Insurance.

25. Go Insurance has on deposit with the State of Oklahoma through the Insurance Commissioner a security deposit in the amount of approximately three hundred fourteen thousand dollars (\$314,000.00), which is required to transact insurance in Oklahoma. Said deposit may be released to the Receiver of Go Insurance upon proper order of this Court.

PRAYER FOR RELIEF

26. WHEREFORE, premises considered, the State of Oklahoma prays the Court to enter an order appointing Glen Mulready, Insurance Commissioner, Temporary Receiver without notice, effective immediately pending full hearing; and an order directing Go Insurance to show cause why an order of receivership should not be entered, why the Insurance Commissioner should not be appointed Receiver of and for Go Insurance, why Donna Wilson should not be appointed

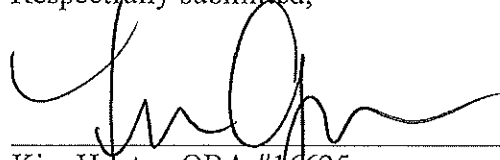
as Assistant Receiver with the granting of all powers of the Receiver, why the law firm of Riggs, Abney, Neal, Turpen, Orbison and Lewis should not be appointed as Counsel for the Receiver, and why the Insurance Commissioner should not release Go Insurance's security deposit to the Receiver.

27. Because Go Insurance's continued operations will or could reasonably be expected to cause significant, imminent, and irreparable injury to the public, the Insurance Commissioner requests the court issue a temporary injunction – and thereafter a permanent injunction – enjoining, pursuant to 36 O.S. § 1904, as follows:

- a. Go Insurance, its officers, directors, stockholders, members, subscribers, agents, and all other persons from transacting any further business of Go Insurance and wasting and/or disposing of Go Insurance's assets until further order of this Court;
- b. Any person and/or entity from interfering with the Insurance Commissioner or these proceedings; wasting the assets of Go Insurance; commencing or prosecuting any actions against Go Insurance; obtaining any preferences, judgments, attachments, or other liens against Go Insurance; or making of any levy against Go Insurance or its assets or any part thereof; and
- c. Requiring any person in possession of Go Insurance's assets to immediately return those assets to the Receiver.

WHEREFORE, the Insurance Commissioner respectfully requests the Court: (1) to enter an order directing Go Insurance to show cause why an order of receivership should not be entered; (2) to enter an order immediately appointing the Insurance Commissioner as Temporary Receiver pending a full hearing; and (3) to issue a temporary injunction – and thereafter, a permanent injunction – enjoining as herein provided.

Respectfully submitted,



Kim Hunter, OBA #16625

Nicole Nash, OBA #91412

Teresa L. Green, OBA #32897

Oklahoma Insurance Department

400 N.E. 50th Street

Oklahoma City, Oklahoma 73105

Phone: (405) 521-2746

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ATTORNEY FOR THE INSURANCE
COMMISSIONER

VERIFICATION

STATE OF OKLAHOMA)
) SS.
COUNTY OF OKLAHOMA)

I, GLEN MULREADY, being of lawful age and being duly sworn and under oath state:

I am the Insurance Commissioner for the State of Oklahoma, and I have read the foregoing Application for Order Directing Insurer to Show Cause and Request for Injunctive Relief and that the contents thereof and the facts set forth therein are within my personal knowledge and are true to the best of my knowledge.

GLEN MULREADY
INSURANCE COMMISSIONER
STATE OF OKLAHOMA

Subscribed and sworn to before me this 9th day of November, 2023, by Glen Mulready.

Notary Public

My Commissioner Number: 20003481
My Commissioner Expires: 3/26/24

