

No. 2020-6479

**Official Order
of the
Texas Commissioner of Insurance**

Date: 09/24/2020

Subject Considered:

Freddy Rene Flores Guillen
[REDACTED]
Sugar Land, Texas 77498-1568

Default Order
SOAH Docket No. 454-20-4550
TDI Enforcement File No. 16557

General remarks and official action taken:

This is a default order taken against Freddy Rene Flores Guillen (Respondent) because he engaged in fraudulent or dishonest acts or practices by filing false insurance claims. Respondent did not respond to a Notice of Hearing filed by the Texas Department of Insurance. This order revokes Respondent's licenses.

The following findings of fact and conclusions of law are adopted:

Findings of Fact

Failure to Respond to Notice of Hearing

1. On August 14, 2020, the department filed a Notice of Hearing, attached as Exhibit A, and an Original Petition, attached as Exhibit B, with the State Office of Administrative Hearings.
2. The department's factual allegations set out in the attached Notice of Hearing and Original Petition are incorporated in this order as findings of fact.
3. The department sent the Notice of Hearing and Original Petition to Respondent's last known address provided in writing to the department, [REDACTED].

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Commissioner's Order

Freddy Rene Flores Guillen

SOAH Docket No. 454-20-4550

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Sugar Land, Texas 77498-1568. The Notice of Hearing and Original Petition were also sent by electronic mail and to one additional address associated with Respondent at [REDACTED], Sugar Land, Texas 77478.

4. Respondent failed to file a written response to the Notice of Hearing within 20 days of the date the Notice of Hearing and Original Petition were mailed.

Conclusions of Law

1. The commissioner has jurisdiction pursuant to Texas law, including TEX. INS. CODE §§ 82.051-82.055, 4001.002, 4005.101-4005.105, 4051.401 and 4054.051; and TEX. GOV'T CODE §§ 2001.051-2001.178.
2. The commissioner has authority to dispose of this case informally pursuant to TEX. GOV'T CODE § 2001.056; TEX. INS. CODE § 82.055; and 28 TEX. ADMIN. CODE §§ 1.47, 1.88, and 1.89.
3. The department provided proper notice of the hearing pursuant to TEX. GOV'T CODE §§ 2001.051, 2001.052, and 2001.054, and 28 TEX. ADMIN. CODE §§ 1.28, 1.88, 1.89, and 19.906.
4. Based on Respondent's failure to file a written response to the Notice of Hearing, the department is entitled to disposition by default pursuant to 28 TEX. ADMIN. CODE §§ 1.88 and 1.89.
5. The department's factual and legal allegations set out in the attached Notice of Hearing and Original Petition are incorporated in this order and deemed admitted as true pursuant to 28 TEX. ADMIN. CODE § 1.89.

Order

It is ordered that all of Freddy Rene Flores Guillen's licenses are revoked. A copy of this order will be provided to law enforcement and/or other appropriate administrative agencies for further investigation as may be warranted.

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Affidavit

STATE OF TEXAS §

§

COUNTY OF TRAVIS §

Before me, the undersigned authority, personally appeared David Moreno, who, being by me duly sworn, deposed as follows:

"My name is David Morneo and I am employed by the Texas Department of Insurance. I am of sound mind, capable of making this affidavit, and have personal knowledge of these facts which are true and correct.

I have reviewed TDI's records concerning Freddy Rene Flores Guillen. I have confirmed that:

- a. The last mailing address provided to the department in writing by Freddy Rene Flores Guillen is [REDACTED], Sugar Land, Texas 77498-1568.
- b. The file maintained by the Enforcement Division contains a Notice of Hearing and Original Petition dated August 14, 2020, which were filed with the State Office of Administrative Hearings.
- c. On August 14, 2020, the Notice of Hearing and Original Petition addressed to Freddy Rene Flores Guillen were mailed certified, return receipt requested, to his last known address at [REDACTED], Sugar Land, Texas 77498-1568, by electronic mail, and to one additional address associated with Respondent at [REDACTED], Sugar Land, Texas 77478.

Copies of the certified mail logs maintained by the Enforcement Division are attached as Exhibit C."

DocuSigned by:

David Moreno

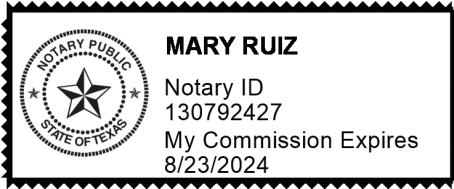
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Affiant

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SWORN TO AND SUBSCRIBED before me by means of an interactive two-way audio and video communication on 9/17/2020. This notarial act was an online notarization.

Notary Seal



Digital Certificate

DocuSigned by:
Mary Ruiz
795DC4D59167489...
Notary Public State of Texas

2020-6479

ACCEPTED
454-20-4550
8/14/2020 2:44 PM
STATE OFFICE OF
ADMINISTRATIVE HEARINGS
Donnie Roland, CLERK

**SOAH DOCKET NO. 454-20-4550
TDI ENFORCEMENT FILE NO. 16557**

FILED
454-20-4550
8/14/2020 12:35 PM
STATE OFFICE OF
ADMINISTRATIVE HEARINGS
Donnie Roland, CLERK

TEXAS DEPARTMENT OF INSURANCE,

BEFORE THE STATE OFFICE

Petitioner

v.

OF

FREDDY RENE FLORES GUILLEN,

ADMINISTRATIVE HEARINGS

Respondent

NOTICE OF HEARING

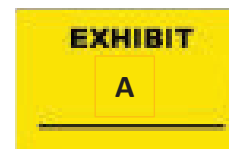
The Texas Department of Insurance seeks to take disciplinary action against you. This Notice of Hearing and the Original Petition, which is attached and incorporated for all purposes, states the allegations against you and the relief sought by the Department.

A public hearing will be held before an Administrative Law Judge on **Wednesday, November 4, 2020, at 9:00 a.m.** The hearing will take place at the State Office of Administrative Hearings, located in the William P. Clements Building, 300 W. 15th Street, 4th Floor, Austin, Texas 78701.

The hearing shall be conducted pursuant to TEX. GOV'T CODE, ch. 2001 and 1 TEX. ADMIN. CODE, ch. 155. Unless otherwise directed by the Administrative Law Judge, the hearing shall continue from day to day in the offices of the State Office of Administrative Hearings until concluded. You have the right to appear at this hearing and to be represented by an attorney.

Parties that are not represented by an attorney may obtain information regarding contested case hearings on the public website of the State Office of Administrative Hearings at www.soah.texas.gov, or in printed format upon request to SOAH.

YOU MUST FILE A WRITTEN RESPONSE TO THE NOTICE OF HEARING WITH THE STATE OFFICE OF ADMINISTRATIVE HEARINGS WITHIN 20 DAYS OF THE DATE THE NOTICE OF HEARING WAS MAILED. FAILURE TO FILE A WRITTEN RESPONSE BY THIS DEADLINE SHALL ENTITLE TDI TO SEEK DISPOSITION BY DEFAULT PURSUANT TO 1 TEX. ADMIN. CODE § 155.501 AND 28 TEX. ADMIN. CODE §§ 1.88 AND 1.89.



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Notice of Hearing

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IF YOU FAIL TO FILE A WRITTEN RESPONSE, THE SCHEDULED HEARING CAN BE CANCELED AND WITHOUT FURTHER NOTICE TO YOU THE COMMISSIONER OF INSURANCE CAN ISSUE AN ORDER IN WHICH THE ALLEGATIONS IN THE NOTICE OF HEARING ARE DEEMED ADMITTED AS TRUE AND THE RELIEF SOUGHT IN THE NOTICE OF HEARING, INCLUDING REVOCATION OF YOUR LICENSE, ISSUANCE OF A CEASE AND DESIST ORDER, IMPOSITION OF ADMINISTRATIVE PENALTIES, AND/OR PAYMENT OF RESTITUTION, IS GRANTED BY DEFAULT.

IF YOU FILE A WRITTEN RESPONSE BUT THEN FAIL TO APPEAR ON THE DAY AND TIME SET FOR HEARING, WITHOUT FURTHER NOTICE TO YOU, THE COMMISSIONER OF INSURANCE CAN ISSUE AN ORDER IN WHICH THE ALLEGATIONS IN THE NOTICE OF HEARING ARE DEEMED ADMITTED AS TRUE AND THE RELIEF SOUGHT IN THE NOTICE OF HEARING, INCLUDING REVOCATION OF YOUR LICENSE, ISSUANCE OF A CEASE AND DESIST ORDER, IMPOSITION OF ADMINISTRATIVE PENALTIES, AND/OR PAYMENT OF RESTITUTION, IS GRANTED BY DEFAULT.

In accord with 28 TEX. ADMIN. CODE § 1.90(e) and 1 TEX. ADMIN. CODE §§ 155.101 and 155.103, you should send copies of your written response to:

- (1) Docketing Division
State Office of Administrative Hearings
300 West 15th Street, Room 504
P.O. Box 13025
Austin, Texas 78711-3025
(512) 322-2061 (Fax);
- (2) Chief Clerk
Texas Department of Insurance
P.O. Box 149104, MC112-2A
Austin, Texas 78714-9104
(512) 490-1064 (Fax)
chiefclerk@tdi.texas.gov; and
- (3) Whitney Fraser, Litigation Director
Texas Department of Insurance
Enforcement Division, MC110-1A
P.O. Box 149104
Austin, Texas 78714-9104

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(512) 490-1020 (Fax)
Whitney.Fraser@tdi.texas.gov

Receiving Documents

The State Office of Administrative Hearings (SOAH) offers you the ability to receive service of orders and other documents issued by SOAH through email instead of by mail or fax. If you want to receive SOAH-issued documents by email, go to SOAH's website, www.soah.texas.gov, click on the "E-Services" tab, then click the "eFiling" hyperlink, and follow the instructions.

NOTE: A request to receive SOAH-issued documents by email does not change the procedures you must follow to file documents with SOAH. The rules for filing documents and providing copies to all other parties in the case are described in SOAH's Procedural Rules, which are available on SOAH's website. Click the "Agency" tab, then click "Administrative Rules and Laws" to view SOAH's Procedural Rules.

Important Security Notice

ALL VISITORS TO THE WILLIAM P. CLEMENTS BUILDING WITHOUT AN AGENCY OR DPS ISSUED ID CARD MUST PROVIDE THE BUILDING SECURITY OFFICER WITH THE STATE OFFICE OF ADMINISTRATIVE HEARINGS DOCKET NUMBER AND RECEIVE A VISITOR'S PASS IN ORDER TO BE ALLOWED ACCESS TO THE HEARING ROOM. INDIVIDUALS SHOULD ALLOW ADDITIONAL TIME TO GO THROUGH THE SECURITY PROCESS.

If you have any questions, please contact me at the address or telephone number shown below.

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Notice of Hearing

Freddy Rene Flores Guillen

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Respectfully Submitted,



Whitney Ellis Fraser
State Bar No. 24057835
Texas Department of Insurance
Enforcement Division, MC110-1A
P.O. Box 149104
Austin, Texas 78714-9104
(512) 676-6341 (Direct)
(512) 490-1020 (Fax)
Whitney.Fraser@tdi.texas.gov

ATTORNEY FOR THE PETITIONER
TEXAS DEPARTMENT OF INSURANCE

Enclosure: Original Petition

cc: Leah Gillum, Deputy Commissioner, Enforcement Division, MC-110-1A
Administrative Review, MC107-1A

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CERTIFICATE OF SERVICE

I, Whitney Fraser, certify that a true and correct copy of the *Notice of Hearing and the Original Petition* were sent by email and by certified mail, return receipt requested, on this 14th day of August, 2020 to:

Freddy Rene Flores Guillen

[REDACTED]

[REDACTED]

Sugar Land, TX 77478

Via Email [REDACTED]

Via CM/RRR No.: 9214 8901 9403 8318 6623 98

Via CM/RRR No.: 9214 8901 9403 8318 6625 10

WFraser

Whitney Fraser

**SOAH DOCKET NO. 454-XX-XXXX
TDI ENFORCEMENT FILE NO. 16557**

TEXAS DEPARTMENT OF INSURANCE,

Petitioner

v.

FREDDY RENE FLORES GUILLEN,

Respondent

BEFORE THE STATE OFFICE

OF

ADMINISTRATIVE HEARINGS

ORIGINAL PETITION

The Texas Department of Insurance seeks to take disciplinary action against Freddy Rene Flores Guillen. In support of this petition, the department makes the following allegations upon information and belief:

Jurisdiction

The Commissioner of Insurance has jurisdiction over this matter pursuant to TEX. INS. CODE §§ 82.051-82.055, 4001.002, 4005.101, 4005.102, 4051.401 and 4054.051, and TEX. GOV'T CODE §§ 2001.051-2001.178.

Factual Allegations

1. Freddy Rene Flores Guillen (Flores), individual identification no. 1646727, holds a general lines agent license with a life, accident, and health qualification and a personal lines agent license with a property and casualty qualification issued by the Texas Department of Insurance.
2. Flores is a State Farm Mutual Automobile Insurance Company (State Farm) agent and, also, an insured.
3. Flores filed two separate claims relating to an automobile accident he was involved in, one on January 25, 2017, and one on July 7, 2017.
4. The first claim filed on January 25, 2017, claim no. 53-0706-5XX, was for personal injury protection (PIP) coverage. Flores told State Farm that he was hit from behind.

EXHIBIT

B

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Original Petition

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5. Flores also made a claim for collision damages with Infinity Insurance Company, the at-fault party's carrier.
6. Flores received \$14,994 for the PIP claim from State Farm and \$2,100 from Infinity Insurance Company for damage to his vehicle.
7. Flores provided an invoice from Southwest Houston Collision Center to show the damages were repaired. Later investigation showed that this auto shop does not exist and is not located at the address shown on the invoice. Infinity Insurance Company also verified that the auto shop was not one of its preferred repair facilities.
8. On July 7, 2017, Flores made a second claim, no. 53-0705-SXX, with State Farm for PIP and collision coverage claiming an unknown vehicle hit his car from behind, alleging it was a hit and run. Flores filed a police report and State Farm paid \$472.87 for a rental car after the vehicle was moved to a repair shop.
9. Flores provided medical bills for injuries his wife sustained and in support of the PIP coverage in an amount of \$17,234.
10. The pictures taken by State Farm's adjuster for this claim showed the same exact damages as those claimed in the January 2017 claim. State Farm made inquiries to Flores about the damages and Flores later admitted that he never made repairs after the first claim.
11. State Farm also discovered that the hospital bills provided for Flores's wife's injuries and treatments could not be verified because the hospital had no record of her being a patient during that time period.
12. State Farm's investigation showed that Flores had increased his PIP coverage to \$10,000 and lowered his collision coverage days before filing the second claim.
13. When State Farm attempted to ask Flores about the duplicate damages and medical bills, Flores refused to answer, thus State Farm closed the claim due to the non-responsiveness.

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Freddy Rene Flores Guillen

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14. On August 6, 2018, Flores was indicted in the 458th District Court of Ft. Bend County, Texas, in Cause No. 18-DCR-083678, for the third-degree felony of insurance fraud in an amount between \$30,000-\$150,000.

Legal Allegations

1. Flores committed acts for which a license holder may be disciplined under TEX. INS. CODE § 4005.101, as contemplated in TEX. INS. CODE § 4005.102.
2. Flores willfully violated an insurance law of this state, as contemplated by TEX. INS. CODE § 4005.101(b)(1).
3. Flores engaged in fraudulent or dishonest acts or practices, in violation of TEX. INS. CODE § 4005.101(b)(5).

Relief Sought

If one or more of the above allegations is found to be true, the department asks the Administrative Law Judge to enter a Proposal for Decision recommending that the Commissioner of Insurance issue an order:

1. revoking Freddy Rene Flores Guillen's licenses and
2. any other just and appropriate relief to which the department may be entitled to by law, including any combination of the above actions.

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Original Petition

Freddy Rene Flores Guillen

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Respectfully Submitted,



Whitney Ellis Fraser
State Bar No. 24057835
Texas Department of Insurance
Enforcement Division, MC110-1A
P.O. Box 149104
Austin, Texas 78714-9104
(512) 676-6341 (Direct)
(512) 490-1020 (Fax)
Whitney.Fraser@tdi.texas.gov

ATTORNEY FOR THE PETITIONER
TEXAS DEPARTMENT OF INSURANCE



Shipment Confirmation
Acceptance Notice

A. Mailer Action

Note to Mailer: The labels and volume associated to this form online, **must** match the labeled packages being presented to the USPS® employee with this form.

Shipment Date: 08/14/2020
 Shipped From:
 Name: MC 110-1A M RUIZ
 Address: 333 GUADALIPE ST
 City: AUSTIN
 State: TX ZIP+4® 78701

Type of Mail	Volume
Priority Mail Express®*	
Priority Mail®	0
First-Class Package Service®	
Returns	
International*	
Other	2
Total	2

*Start time for products with service guarantees will begin when mail arrives at the local Post Office™ and items receive individual processing and acceptance scans.

B. USPS Action

- Note to RSS Clerk:
1. Home screen > Mailing/Shipping > More
 2. Select Shipment Confirm
 3. Scan or enter the barcode/label number from PS Form 5630
 4. Confirm the volume count message by selecting Yes or No
 5. Select Pay and End Visit to complete transaction

USPS EMPLOYEE: Please scan upon pickup or receipt of mail.
 Leave form with customer or in customer's mail receptacle.

USPS SCAN AT ACCEPTANCE



9275 0901 1935 6200 0023 5756 83

Fraser/16557



Tracking History



Tracking #: 9214890194038318662398

Recipient: FREDDY RENE FLORES GUILLEN
[REDACTED]
SUGAR LAND TX 77498-1568

Date & Time	Event Type	Event	Event Location
08/14/2020 12:10		PRE-SHIPMENT INFO SENT USPS AWAITS ITEM	AUSTIN, TX, 78701
08/15/2020 20:17		ORIGIN ACCEPTANCE	AUSTIN, TX, 78701
08/15/2020 21:32		PROCESSED THROUGH USPS FACILITY	AUSTIN, TX, 78710
08/16/2020 13:37		PROCESSED THROUGH USPS FACILITY	NORTH HOUSTON, TX, 77315
08/17/2020 14:25		PROCESSED THROUGH USPS FACILITY	NORTH HOUSTON, TX, 77315
08/18/2020 07:33		ARRIVAL AT UNIT	SUGAR LAND, TX, 77478
08/18/2020 07:44		OUT FOR DELIVERY	SUGAR LAND, TX, 77498
08/18/2020 13:14		DELIVERED LEFT WITH INDIVIDUAL	SUGAR LAND, TX, 77498

Close

Tracking #: 9214890194038318662510












2020-6479

FREDDY RENE FLORES GUILLEN

Recipient:

[REDACTED]

SUGAR LAND TX 77478

Date & Time	Event Type	Event	Event Location
08/14/2020 12:10		PRE-SHIPMENT INFO SENT USPS AWAITS ITEM	AUSTIN,TX, 78701
08/15/2020 20:16		ORIGIN ACCEPTANCE	AUSTIN,TX, 78701
08/15/2020 21:31		PROCESSED THROUGH USPS FACILITY	AUSTIN,TX, 78710
08/16/2020 13:37		PROCESSED THROUGH USPS FACILITY	NORTH HOUSTON,TX, 77315
08/17/2020 14:25		PROCESSED THROUGH USPS FACILITY	NORTH HOUSTON,TX, 77315
08/18/2020 07:33		ARRIVAL AT UNIT	SUGAR LAND,TX, 77478
08/18/2020 11:02		FORWARDED	SUGAR LAND,TX, 77478
08/22/2020 06:32		FORWARD PROCESSED	SUGAR LAND,TX, 77478
08/22/2020 07:34		ARRIVAL AT UNIT	SUGAR LAND,TX, 77478
08/22/2020 10:48		NO ACCESS	SUGAR LAND,TX, 77478
08/24/2020 12:35		DELIVERED LEFT WITH INDIVIDUAL	SUGAR LAND,TX, 77478

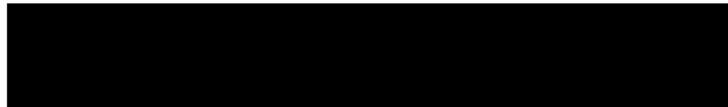
Date Produced: 08/24/2020

ConnectSuite Inc.:

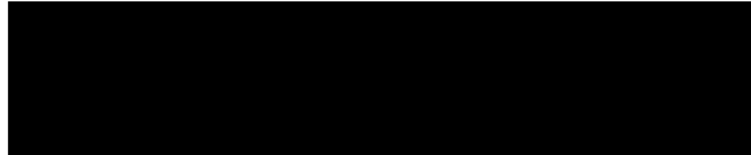
The following is the delivery information for Certified Mail™/RRE item number 9214 8901 9403 8318 6623 98. Our records indicate that this item was delivered on 08/18/2020 at 01:14 p.m. in SUGAR LAND, TX 77498. The scanned image of the recipient information is provided below.

Signature of Recipient :

Fredy Flores



Address of Recipient :



Thank you for selecting the Postal Service for your mailing needs. If you require additional assistance, please contact your local post office or Postal Service representative.

Sincerely,
United States Postal Service

The customer reference number shown below is not validated or endorsed by the United States Postal Service. It is solely for customer use.

This USPS proof of delivery is linked to the customers mail piece information on file as shown below:

S GUILLEN
[Redacted]
SUGAR LAND TX 77498-1568

Customer Reference Number: C2216347.12599734
Return Reference Number: Fraser/16557