

No. 2021-6847

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

Date: 05/27/2021

Subject Considered:

Carol Simmons Nguyen
[REDACTED]
Alvin, Texas 77511-6140

Default Order
SOAH Docket No. 454-21-2088
TDI Enforcement File No. 23712

General remarks and official action taken:

This is a default order taken against Carol Simmons Nguyen (Respondent) because she misappropriated insurance premiums and engaged in fraudulent and dishonest conduct. 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 April 22, 2021, 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. On April 23, 2021, the department sent the Notice of Hearing and Original Petition to Respondent's last known address provided in writing to the department, [REDACTED]

2021-6847

Commissioner's Order

Carol Simmons Nguyen

SOAH Docket No. 454-21-2088

Page 2 of 5

████████████████████ Alvin, Texas 77511-6140. The Notice of Hearing and Original Petition were also sent by electronic mail on April 22, 2021, and by fax on April 23, 2021.

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 under Texas law, including TEX. INS. CODE §§ 82.051-82.055, 4001.002, 4005.101, 4005.102, 4051.051, 4054.051, 4153.051, and TEX. GOV'T CODE §§ 2001.051-2001.178.
2. The commissioner has authority to dispose of this case informally under 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 under 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 under 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 under 28 TEX. ADMIN. CODE § 1.89.

2021-6847

Commissioner's Order
Carol Simmons Nguyen
SOAH Docket No. 454-21-2088
Page 3 of 5

Order

It is ordered that any licenses held by Carol Simmons Nguyen 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.

Commissioner of Insurance

By:  C77A87C8C21B435...

Doug Slape
Chief Deputy Commissioner
TEX. GOV'T CODE § 601.002
Commissioner's Order No. 2018-5528

Prepared and reviewed by:



Kaycee Crisp, Staff Attorney
Enforcement Division

2021-6847

Commissioner's Order
Carol Simmons Nguyen
SOAH Docket No. 454-21-2088
Page 4 of 5

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 Moreno, 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 Carol Simmons Nguyen. I have confirmed that:

- a. The last mailing address provided to the department in writing by Carol Simmons Nguyen is [REDACTED] Alvin, Texas 77511-6140.
- b. The file maintained by the Enforcement Division contains a Notice of Hearing and Original Petition dated April 22, 2021, which were filed with the State Office of Administrative Hearings.
- c. On April 23, 2021, the Notice of Hearing and Original Petition addressed to Carol Simmons Nguyen were mailed certified, return receipt requested, to her last known address.

A copy of the certified mail log maintained by the Enforcement Division is attached as Exhibit C."

DocuSigned by:

0705B35F72FD470...

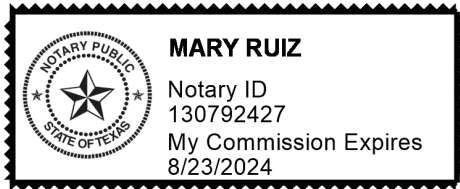
Affiant

2021-6847

Commissioner's Order
Carol Simmons Nguyen
SOAH Docket No. 454-21-2088
Page 5 of 5

SWORN TO AND SUBSCRIBED before me by means of an interactive two-way audio and video communication on 5/17/2021. This notarial act was an online notarization.

Notary Seal



Digital Certificate

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

2021-6847

FILED
454-21-2088
4/22/2021 12:24 PM
STATE OFFICE OF
ADMINISTRATIVE HEARINGS
Carol Hale, CLERK

ACCEPTED
454-21-2088
04/22/2021 12:57 PM
STATE OFFICE OF
ADMINISTRATIVE HEARINGS
Carol Hale, CLERK

**SOAH DOCKET NO. 454-21-2088
TDI ENFORCEMENT FILE NO. 23712**

TEXAS DEPARTMENT OF INSURANCE,

BEFORE THE STATE OFFICE

Petitioner

v.

OF

CAROL SIMMONS NGUYEN,

ADMINISTRATIVE HEARINGS

Respondent

NOTICE OF HEARING

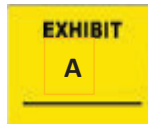
The Texas Department of Insurance seeks to take disciplinary action against you. This Notice of Hearing and the Original Petition, which is attached and incorporated for all purposes, states the allegations against you and the relief sought by the Department.

A public hearing will be held before an Administrative Law Judge on **Monday, July 26, 2021, at 9:00 a.m.** The hearing will take place via videoconference using a videoconference platform controlled by the State Office of Administrative Hearings, unless otherwise ordered to proceed in another manner by the Administrative Law Judge.

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.



2021-6847

Notice of Hearing

Carol Simmons Nguyen

SOAH Docket No. 454-21-2088

Page 2 of 5

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, 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, 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) Kaycee Crisp, Staff Attorney
Texas Department of Insurance
Enforcement Division, MC110-1A
P.O. Box 149104
Austin, Texas 78714-9104
(512) 490-1020 (Fax)
Kaycee.Crisp@tdi.texas.gov

2021-6847

Notice of Hearing

Carol Simmons Nguyen

SOAH Docket No. 454-21-2088

Page 3 of 5

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 hyperlink "Request Service by Email (only for use by self-represented litigants)," 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.

2021-6847

Notice of Hearing
Carol Simmons Nguyen
SOAH Docket No. 454-21-2088
Page 4 of 5

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

Respectfully Submitted,



Kaycee Crisp
State Bar No. 24057368
Texas Department of Insurance
Enforcement Division, MC110-1A
P.O. Box 149104
Austin, Texas 78714-9104
(512) 676-6327 (Direct)
(512) 490-1020 (Fax)
Kaycee.Crisp@tdi.texas.gov

ATTORNEY FOR THE PETITIONER
TEXAS DEPARTMENT OF INSURANCE

Enclosure: Original Petition

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

2021-6847

Notice of Hearing
Carol Simmons Nguyen
SOAH Docket No. 454-21-2088
Page 5 of 5

CERTIFICATE OF SERVICE

I, Kaycee Crisp, certify that a true and correct copy of the *Notice of Hearing and the Original Petition* were sent by certified mail, return receipt requested, fax, and email on this 23rd day of April, 2021 to:

Carol Simmons Nguyen
[REDACTED]
Alvin, Texas 77511-6140
Respondent Pro Se

Via CM/RRR:

Via Fax: [REDACTED]

Via Email: [REDACTED]



Kaycee Crisp

FILED
454-21-2088
4/22/2021 9:59 AM
STATE OFFICE OF
ADMINISTRATIVE HEARINGS
Carol Hale, CLERK

SOAH DOCKET NO. 454-454-21-2088
TDI ENFORCEMENT FILE NO. 23712

TEXAS DEPARTMENT OF INSURANCE,

BEFORE THE STATE OFFICE

Petitioner

ACCEPTED
454-21-2088
04/22/2021 10:14 AM
STATE OFFICE OF
ADMINISTRATIVE HEARINGS
Carol Hale, CLERK

v.

OF

CAROL SIMMONS NGUYEN,

ADMINISTRATIVE HEARINGS

Respondent

ORIGINAL PETITION

The Texas Department of Insurance (TDI) seeks to take disciplinary action against Carol Simmons Nguyen (Nguyen). In support of this petition, TDI makes the following allegations upon information and belief:

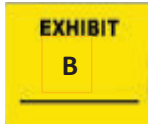
Jurisdiction

The Commissioner of Insurance has jurisdiction over this matter pursuant to TEX. INS. CODE §§ 82.051-82.055, 4001.002, 4005.101, 4005.102, 4051.051, 4054.051, 4153.051, and TEX. GOV'T CODE §§ 2001.051-2001.178.

Factual Allegations

Licensure

1. Nguyen, individual identification number 193252, holds a general lines agent license originally issued by TDI on January 6, 1999. Under her general lines license, she holds a life, accident, health & HMO qualification issued by TDI on January 25, 1999, and a property and casualty qualification issued by TDI on September 10, 1998.
2. Nguyen also holds a risk manager license originally issued by TDI on December 7, 2015.



Sole Owner of Agency Bayou City Risk & Insurance Services, Inc.

3. Nguyen was the sole owner, Chief Executive Officer, and designated licensed responsible person for Bayou City Risk & Insurance Services, Inc. (Bayou City Risk), firm identification number 119381, during the entirety of its licensure with TDI, from April 26, 2016, until April 26, 2020.
4. Prior to the licenses expiring on April 26, 2020, Bayou City Risk held a general lines agency license and a life agency license issued by TDI in 2016.

Misappropriation of Premium – Fairfield Holiday Inn

5. On September 6, 2019, TDI received a complaint from Texas consumer T.V. on behalf of Grand Parkway 99 Hotel, LLC d/b/a Fairfield Holiday Inn Express & Suites (Fairfield Holiday Inn). The complaint alleged that Nguyen and Bayou City Risk had collected premium monies for several policies and failed to pay the insurance carriers.
6. In May of 2019, Nguyen and Bayou City Risk assisted Fairfield Holiday Inn in securing several policies: a general liability policy through Ohio Security Insurance Company, a Liberty Mutual carrier (the Liberty Mutual Policy); a property policy written by Velocity Underwriters on behalf of Independent Specialty Insurance Company (the Velocity Policy); and an umbrella liability policy written by Great Point Insurance Services on behalf of Allied World Insurance Company (the Great Point Policy). The policies were procured by Nguyen and Bayou City Risk through another licensed agency, Novus Underwriters, Inc. (Novus).
7. On May 30, 2019, Fairfield Holiday Inn paid Bayou City Risk \$41,654.80 via check to pay the premiums for the Liberty Mutual Policy, Velocity Policy, and Great Point Policy.
8. On June 4, 2019, Nguyen and Bayou City Risk subsequently supplied Fairfield Holiday Inn with certificates of insurance for the Liberty Mutual Policy, Velocity Policy, and Great Point Policy, showing the policies became effective on May 30, 2019.

2021-6847

Original Petition

Carol Simmons Nguyen

Page 3 of 6

9. Nguyen did not remit Fairfield Holiday Inn's premium payments for the policies to Novus.
10. Accordingly, between July 15, 2019, and August 7, 2019, Novus attempted to contact Bayou City Risk and/or Nguyen in excess of 15 times for payment for Fairfield Holiday Inn's policies.
11. On August 7, 2019, Novus, contacted Fairfield Holiday Inn to confirm if Bayou City Risk or Nguyen had received premium payments for Fairfield Holiday Inn's policies.
12. Novus subsequently informed Fairfield Holiday Inn that their policies would cancel if the premiums were not paid immediately.
13. On August 12, 2019, Velocity Underwriters on behalf of Independent Specialty Insurance Company notified Novus that Fairfield Holiday Inn's policy would be cancelled effective August 22, 2019.
14. On August 14, 2019, Liberty Mutual similarly notified Novus that Fairfield Holiday Inn's Liberty Mutual Policy would be cancelled effective August 29, 2019.
15. On or around July 16, 2019, and August 14, 2019, Great Point Insurance on behalf of Allied World notified Novus that Fairfield Holiday Inn's umbrella policy would be cancelled flat for nonpayment on August 15, 2019.
16. Fairfield Holiday Inn instructed and made multiple efforts to have Nguyen and Bayou City Risk remit the premiums paid to Bayou City Risk to Novus directly, but Nguyen and Bayou City Risk refused.
17. Left with no other option, Fairfield Holiday Inn remitted premium for a second time, directly paying Novus \$41,654.80 via wire transfer on August 14, 2019, to circumvent Nguyen and Bayou City Risk, and to have all the policies reinstated and all cancellation notices rescinded.
18. To date, neither Nguyen nor Bayou City Risk has returned the premium monies Fairfield Holiday Inn previously paid.

Misappropriation of Premium – Evergreen Realty

19. On April 26, 2019, TDI received a complaint from Texas consumer L.L. on behalf of Evergreen Realty alleging that Nguyen and Bayou City Risk had collected premium monies for several policies covering properties for which Evergreen Realty served as the management company, and the insurance carrier had never received payment.
20. Evergreen Realty served as the management company for American Grand Land Investment, Inc. and Club Creek Property, Inc.

American Grand Land Investment, Inc.

21. To cover American Grand Land Investment, Inc., Nguyen procured a commercial general liability and property policy from Western World Insurance Company (Western World), effective January 11, 2019, through January 11, 2020.
22. On January 18, 2019, American Grand Land Investments, Inc. issued a check for \$13,171.20 to Bayou City Risk to pay for the policy's premium.
23. Nguyen provided American Grand Land Investments, Inc. with a fake certificate of insurance for the policy on January 15, 2019. Western World has no record of this policy and no record of any submissions or quotes for American Grand Land Investment, Inc.
24. Neither Nguyen nor Bayou City Risk are appointed or authorized as agents of Western World.
25. Neither Nguyen nor Bayou City Risk has returned premium payments from American Grand Land Investments, Inc. that were not remitted to Western Word.

Club Creek Property, Inc.

26. To cover Club Creek Property, Inc., Nguyen procured a commercial general liability and automobile liability policy from Metropolitan Property & Casualty Company (Metropolitan).

27. Nguyen gave Club Creek Property, Inc. documents representing that the Metropolitan policy's effective dates were February 10, 2019, through February 10, 2020. However, Metropolitan's records show the policy was effective February 12, 2019, through February 12, 2020.
28. Nguyen also represented that she procured a property insurance policy through Certain Underwriters at Lloyd's to cover Club Creek Property, Inc., with purported effective dates from February 10, 2019, through February 10, 2020.
29. In advance of policy issuance, Club Creek Property, Inc. issued a check for \$30,406.95 to Bayou City Risk for the policies' premium payments.
30. Nguyen provided Club Creek Property, Inc. with a fake certificate of insurance for the Certain Underwriters at Lloyd's policy on February 10, 2019. Certain Underwriters at Lloyds has no record of this policy and no records under the name of Club Creek Property, Inc.
31. Metropolitan received a 25% down payment for the premium on Club Creek Property, Inc.'s policy and established a monthly payment plan with Bayou City Risk for the remaining balance. Metropolitan never received any additional payments for this policy.
32. On April 16, 2019, Metropolitan issued a notice of cancelation to Club Creek Property, Inc. for failure to pay its premium when due.
33. Neither Nguyen nor Bayou City Risk has returned the premium payments received from Club Creek Property, Inc. that were not remitted to Metropolitan or Certain Underwriters at Lloyds.

Legal Allegations

1. Nguyen has misappropriated and converted to her own use money belonging to an insurer or insured in violation of TEX. INS. CODE § 4005.101(b)(4).
2. Nguyen has 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 Carol Simmons Nguyen's licenses and
2. imposing any other just and appropriate relief to which the department may be entitled to by law, including any combination of the above actions.

Respectfully Submitted,



Kaycee Crisp
State Bar No. 24057368
Texas Department of Insurance
Enforcement Division, MC110-1A
P.O. Box 149104
Austin, Texas 78714-9104
(512) 676-6327 (Direct)
(512) 490-1020 (Fax)
Kaycee.Crisp@tdi.texas.gov

ATTORNEY FOR THE PETITIONER
TEXAS DEPARTMENT OF INSURANCE

2021-6847



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: 04/23/2021

Shipped From:

Name: MC 110-1A D MORENO

Address: 333 GUADALUPE 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	1
Total	1

*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 0028 4759 71



crisp/23712

Date Produced: 05/03/2021

ConnectSuite Inc.:

The following is the delivery information for Certified Mail™/RRE item number 9214 8901 9403 8338 2893 60. Our records indicate that this item was delivered on 04/26/2021 at 03:00 p.m. in ALVIN, TX 77511. The scanned image of the recipient information is provided below.

Signature of Recipient :



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:

████████████████████ EN
ALVIN, TEXAS 77511-6140

Customer Reference Number: C2653839.15297440
Return Reference Number: crisp/23712