

No. **2022-7316**

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

Date: 05/04/2022

Subject Considered:

Nathan Cosby

[REDACTED]
Oklahoma City, OK 73103-1030

Default Order
SOAH Docket No. 454-22-2272
TDI Enforcement File No. 27951

General remarks and official action taken:

The subject of this default order is whether a nonresident general lines agent property and casualty license should be issued to Nathan Cosby (Respondent). Respondent did not respond to a Notice of Hearing filed by the Texas Department of Insurance. This order denies Respondent's license application.

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

Findings of Fact

1. On March 31, 2022, 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] Oklahoma City, OK 73103-1030.

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Commissioner's Order

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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, 4001.102, 4001.105, 4005.101, and 4056.052; TEX. OCC. CODE §§ 53.021-53.023; 28 TEX. ADMIN. CODE § 1.502; 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.

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Commissioner's Order

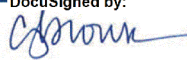
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Order

It is ordered that Nathan Cosby's application is denied. A copy of this order will be provided to law enforcement or other appropriate administrative agencies for further investigation as may be warranted.

DocuSigned by:

FC5D7EDDFB4F8...

Cassie Brown
Commissioner of Insurance

Prepared and reviewed by:



Nancy Williams, Staff Attorney
Enforcement

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 Nathan Cosby. I have confirmed that:

- a. The last mailing address provided to the department in writing by Nathan Cosby is [REDACTED] Oklahoma City, OK 73103-1030.
- b. The file maintained by the Enforcement Division contains a Notice of Hearing and Original Petition dated March 31, 2022, which were filed with the State Office of Administrative Hearings.
- c. On March 31, 2022, the Notice of Hearing and Original Petition addressed to Nathan Cosby were sent by first class mail and by certified mail, return receipt requested, to his last known address.

A copy of the first-class log and certified mail log maintained by the Enforcement Division are attached as Exhibit C and D, respectively."

DocuSigned by:

 2E9F2CC041D045E...

Affiant

2022-7316

Commissioner's Order
Nathan Cosby
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SWORN TO AND SUBSCRIBED before me by means of an interactive two-way audio and video communication on 4/22/2022. This notarial act was an online notarization.

Notary Seal



Digital Certificate

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

2022-7316

FILED
454-22-2272
3/31/2022 12:33 PM
STATE OFFICE OF
ADMINISTRATIVE HEARINGS
Jessie Harbin, CLERK

ACCEPTED
454-22-2272
3/31/2022 2:02 PM
STATE OFFICE OF
ADMINISTRATIVE HEARINGS
Jessie Harbin, CLERK

**SOAH DOCKET NO. 454-22-2272
TDI ENFORCEMENT FILE NO. 27951**

TEXAS DEPARTMENT OF INSURANCE,

Petitioner

v.

NATHAN COSBY,

Respondent

BEFORE THE STATE OFFICE

OF

ADMINISTRATIVE HEARINGS

NOTICE OF HEARING

The Texas Department of Insurance seeks to deny your license application. 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 **July 12, 2022, 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 under 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 UNDER 1 TEX. ADMIN. CODE § 155.501 AND 28 TEX. ADMIN. CODE §§ 1.88 AND 1.89.

EXHIBIT

A

2022-7316

Notice of Hearing

Nathan Cosby

SOAH Docket No. 454-22-2272

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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 DENIAL OF YOUR LICENSE APPLICATION, 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 DENIAL OF YOUR LICENSE APPLICATION, 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) *(by mail, fax, or electronically)*
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);
www.soah.texas.gov/e-filing-soah
- (2) *(by mail, fax, or email)*
Chief Clerk
Texas Department of Insurance
P.O. Box 12030, MC GC-CCO
Austin, Texas 78711-2030
(512) 490-1064 (Fax)
chiefclerk@tdi.texas.gov; and
- (3) *(by mail, fax, or email)*
Nancy Williams, Staff Attorney
Texas Department of Insurance
Enforcement Division, MC ENF

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Notice of Hearing

Nathan Cosby

SOAH Docket No. 454-22-2272

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P.O. Box 12030
Austin, Texas 78711-2030
(512) 490-1020 (Fax)
Nancy.Williams@tdi.texas.gov

Receiving Documents Electronically and Filing Documents with SOAH

The State Office of Administrative Hearings (SOAH) offers you the ability to electronically receive orders and other documents issued by SOAH by email instead of by mail. If you want to receive SOAH-issued documents by email, follow the instructions on SOAH's website: www.soah.texas.gov.

A request to receive SOAH-issued documents by email does not change the procedures you must follow to file documents with SOAH. You may file documents with SOAH by mail, fax, or electronically. To file electronically, you must use eFileTexas. Instructions on using eFileTexas are on SOAH's website. SOAH's website also includes guidance for representing yourself.

Important Security Notice (for In-Person Hearings ONLY)

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.

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Nathan Cosby

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

Respectfully Submitted,



Nancy Williams

State Bar No. 24058175

Texas Department of Insurance

Enforcement Division, MC ENF

P.O. Box 12030

Austin, Texas 78711-2030

(512) 676-6338 (Direct)

(512) 490-1020 (Fax)

Nancy.Williams@tdi.texas.gov

ATTORNEY FOR THE PETITIONER

TEXAS DEPARTMENT OF INSURANCE

Enclosure: Original Petition

cc: Leah Gillum, Deputy Commissioner, Enforcement Division, MC ENF
Whitney Fraser, Litigation Director, Enforcement Division, MC ENF
Administrative Review, MC CO-AAL

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Notice of Hearing

Nathan Cosby

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CERTIFICATE OF SERVICE

I, Nancy Williams, certify that a true and correct copy of the *Notice of Hearing and the Original Petition* were sent by first class mail, electronic mail and by certified mail, return receipt requested, on this 31st day of March 2022 to:

Nathan Cosby

[REDACTED]

Oklahoma City, OK 73103-1030

Respondent Pro Se

Email: [REDACTED]

CM/RRR No.: 9214 8901 9403 8371 4017 50



Nancy Williams

2022-7316

FILED
454-22-2272
3/31/2022 11:06 AM
STATE OFFICE OF
ADMINISTRATIVE HEARINGS
Carol Hale, CLERK

**SOAH DOCKET NO. 454-22-²²⁷²
TDI ENFORCEMENT FILE NO. 27951**

TEXAS DEPARTMENT OF INSURANCE,

BEFORE THE STATE OFFICE

Petitioner

ACCEPTED
454-22-2272
3/31/2022 12:03:44 pm
STATE OFFICE OF
ADMINISTRATIVE HEARINGS
Carol Hale, CLERK

v.

OF

NATHAN COSBY,

ADMINISTRATIVE HEARINGS

Respondent

ORIGINAL PETITION

The Texas Department of Insurance seeks to deny Nathan Cosby's license application. 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, 4051.101, 4056.052 and TEX. GOV'T CODE §§ 2001.051-2001.178.

Factual Allegations

Application

1. Nathan Cosby (Cosby) applied for a nonresident general lines agent property and casualty license with the Texas Department of Insurance (TDI) on June 11, 2020.
2. Cosby applied for a nonresident license because he is a resident of the State of Oklahoma, holding Oklahoma insurance license number 100223513.
3. On June 23, 2021, TDI issued a summary denial of Cosby's application.
4. On June 30, 2021, Cosby requested a hearing on the denial of his license.

EXHIBIT

B

Basis for Denial of License

5. On or about October 16, 2020, in State of Oklahoma, an agreed order was executed by Insurance Commissioner Glen Mulready, in relation to Nathan Cosby's resident producer license, which included the following stipulations:
 - i. Between 2016 and 2018, forty-seven Allstate Insurance policies containing fictitious driver's license numbers were bound by Cosby.
 - ii. On July 24, 2019, Cosby admitted that he knowingly entered fictitious driver's license numbers on auto policy applications for some customers.
 - iii. Cosby acknowledged that he provided false information to Allstate by providing driver's license numbers on applications which he knew did not belong to the customers, and that he engaged in this behavior to enable the policy to be bound.
 - iv. Cosby violated Oklahoma law, against fraudulent and dishonest practice, by submitting auto insurance applications to Allstate with fictitious driver's license numbers in forty-seven policies.

Legal Allegations

1. Cosby committed acts that allow the department to deny a license application under TEX. INS. CODE § 4005.101(b)(5) & 4005.102(1)(A).

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. denying Nathan Cosby's license application and
2. imposing any other just and appropriate relief to which the department may be entitled to by law.

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Original Petition

Nathan Cosby

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Respectfully Submitted,



Nancy Williams

State Bar No. 24058175

Texas Department of Insurance

Enforcement Division, MC ENF

P.O. Box 12030

Austin, Texas 78711-2030

(512) 676-6338 (Direct)

(512) 490-1020 (Fax)

Nancy.Williams@tdi.texas.gov

ATTORNEY FOR THE PETITIONER

TEXAS DEPARTMENT OF INSURANCE

Firm Mailing Book For Accountable Mail

2022-7316

Name and Address of Sender
 Texas Dept of Insurance
 Mail Code 110-1A
 333 Guadalupe St
 Austin TX 78701
Mary Ruiz
 March 31, 2022

Check type of mail or service

- Adult Signature Required
- Priority Mail Express
- Adult Signature Restricted (Return Receipt for Merchandise)
- Certified Mail
- Registered Mail
- Certified Mail Restricted Delivery
- Signature Confirmation Restricted Delivery
- Collect on Delivery (COD)
- Insured Mail
- Priority Mail

Fix Stamp Here

(If issued as an international certificate of mailing or for additional copies of this receipt), Postmark with Date of Receipt

USPS Tracking/Article Number	Address (Name, Street, City, State, & Zip Code)	Postage	Extra Services Fee	Handling Charge	Actual Value if Registered	Insured Value	Due Sender if COD	ASR Fee	ASRD Fee	RD Fee	RR Fee	SC Fee	SCRD Fee	Signature Confirmation	Restricted Delivery	Return Receipt	Signature Confirmation	Restricted Delivery	Special Handling	
WILLIAMS/27951	NATHAN COSBY [REDACTED] OKLAHOMA CITY, OK 73103-1030													Adult Signature Required	Adult Signature Restricted Delivery		Signature Confirmation	Signature Confirmation Restricted Delivery	Special Handling	

Privacy Note: For more information on USPS privacy policies, visit usps.com/privacy/poli

2022-7316



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: 03/31/2022
Shipped From:
Name: MC 110-1A M RUIZ
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

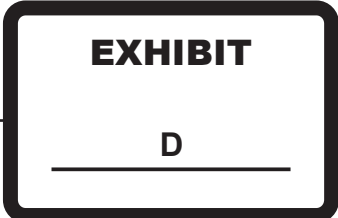
USPS EMPLOYEE: Please scan upon pickup or receipt of mail.
Leave form with customer or in customer's mail receptacle.

USPS SCAN AT ACCEPTANCE



9275 0901 1935 6200 0035 7702 05

williams/27951





Firm Mailing Book For Accountable Mail

Name and Address of Sender

MC 110-1A M RUIZ
TEXAS DEPARTMENT OF INSURANCE
333 GUADALUPE ST
AUSTIN TX 78701

Check type of mail or service

- Adult Signature Required
Adult Signature Restricted Delivery
Certified Mail
Certified Mail Restricted Delivery
Collect on Delivery (COD)
Insured Mail
Priority Mail
Priority Mail Express
Registered Mail
Return Receipt for Merchandise
Signature Confirmation
Signature Confirmation Restricted Delivery

USPS Tracking/Article Number

1. 9214 8901 9403 8371 4017 50

williams/27951

Addressee (Name, Street, City, State, & ZIP Code™)

NATHAN COSBY
[Redacted]
OKLAHOMA CITY, OK 73103-1030

Affix Stamp Here

(for additional copies of this receipt).
Postmark with Date of Receipt.

2022-7316

Table with columns: Postage, (Extra Service) Fee, Handling Charge, Actual Value if Registered, Insured Value, Due Sender if COD, ASR Fee, ASRD Fee, RD Fee, RR Fee, SC Fee, SCRD Fee, ST Fee. Includes a row with a 'Handling Charge - if Registered and over \$50,000 in value' and another with 'Adult Signature Required' and 'Adult Signature Restricted Delivery'.

Total Number of Pieces Listed by Sender: 1

Total Number of Pieces Received at Post Office: 1

Postmaster, Per (Name of receiving employee)