

No. **2022-7200**

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

**Date: 02/02/2022**

**Subject Considered:**

Qualitas Insurance Agency, LLC  
3198 W. Parka Road, Suite 3110  
Plano, Texas 75075

6800 Weiskopf Ave., Suite 150  
McKinney, Texas 75070

Default Order  
SOAH Docket No. 454-21-0292.C  
TDI Enforcement File No. 18364

**General remarks and official action taken:**

This is a default order taken against Qualitas Insurance Agency, LLC (Respondent) because it has engaged in dishonest and fraudulent conduct and has misappropriated, converted, or otherwise withheld money belonging to others. Respondent did not appear at the hearing on the merits. This order revokes Respondent's license.

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

**Findings of Fact**

Failure to Appear at Hearing on the Merits

1. On October 2, 2020, the Texas Department of Insurance filed a Notice of Hearing, attached as Exhibit A, and an Original Petition, attached as Exhibit B, with the State Office of Administrative Hearings (SOAH).
2. The department sent the Notice of Hearing and Original Petition to Respondent's last known address provided in writing to the department, 3198 W. Parka Road,

## 2022-7200

Commissioner's Order

Qualitas Insurance Agency, LLC

SOAH Docket No. 454-21-0292.C

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Suite 3110, Plano, Texas, 75075. The Notice of Hearing and Original Petition were also sent by electronic mail and to one additional address associated with Respondent: 3198 W. Parker Road, Suite 3110, Plano, Texas 75075.

3. Respondent contacted the department prior to the original hearing and requested a continuance. Respondent later filed a Motion to Appear by Telephone or Video by a Self-Represented Litigant with SOAH. Within the appearance, Respondent indicated its address was different from the last known address of record provided in writing to the department and provided a new address of 6800 Weiskopf Ave., Suite 150, McKinney, Texas 75070.
4. On December 29, 2021, the Texas Department of Insurance filed an Amended Notice of Hearing, attached as Exhibit C, and an Amended Petition, attached as Exhibit D, with SOAH, to clarify the allegations prior to the new trial setting of January 10, 2022.
5. The department sent the Amended Notice of Hearing and Amended Petition to the address Respondent provided in the electronic filing system for service to SOAH: 6800 Weiskopf Ave., Suite 150, McKinney, Texas 75070. The Amended Notice of Hearing and Amended Petition were also sent by electronic mail to three addresses associated with Respondent or used in its electronic filings with SOAH.
6. The department's factual allegations set out in the attached Amended Notice of Hearing and Amended Petition are incorporated in this order as findings of fact.
7. After receiving proper notice of the date, time and location of the hearing on the merits, Respondent failed to appear for the hearing on January 10, 2022, as shown in the record in SOAH Docket No. 454-21-0292.C.

### Conclusions of Law

1. The commissioner has jurisdiction under Texas law, including TEX. INS. CODE §§ 82.051-82.055, 4001.002, 4001.105, 4005.101-4005.105, and 4051.051; 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.

## 2022-7200

Commissioner's Order

Qualitas Insurance Agency, LLC


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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 appear in person or by legal representative at the 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 Amended Notice of Hearing and Amended Petition are incorporated in this order and deemed admitted as true under 28 TEX. ADMIN. CODE § 1.89.

### Order

It is ordered that Qualitas Insurance Agency, LLC's license is revoked. 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...

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Cassie Brown  
Commissioner of Insurance

Prepared and reviewed by:



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Whitney Fraser, Litigation Director  
Enforcement Division

# 2022-7200

Commissioner's Order  
Qualitas Insurance Agency, LLC  
SOAH Docket No. 454-21-0292.C  
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 Qualitas Insurance Agency, LLC. I have confirmed that:

- a. The last mailing address provided to the department in writing by Qualitas Insurance Agency, LLC, is W. 3198 Parka Rd., Suite 3110, Plano, Texas 75075.
- b. The file maintained by the Enforcement Division contains a Notice of Hearing and Original Petition dated October 2, 2020, which were filed with the State Office of Administrative Hearings.
- c. On October 2, 2020, the Notice of Hearing and Original Petition addressed to Qualitas Insurance Agency, LLC, were mailed first-class and certified, return receipt requested, to its last known address. On October 23, 2020, the Notice of Hearing and Original Petition addressed to Qualitas Insurance Agency, LLC, were mailed first-class and certified, return receipt requested, to an additional address: 3198 W. Parker Road, Suite 3110, Plano, Texas 75075.
- d. Copies of the first-class mail log and certified mail log maintained by the Enforcement Division are attached as Exhibit E and Exhibit F, respectively.
- e. On December 29, 2021, the Amended Notice of Hearing and Amended Petition addressed to Qualitas Insurance Agency, LLC, were served via the State Office of Administrative Hearings electronic filing system as shown in the record in SOAH Docket No. 454-21-0292.C.

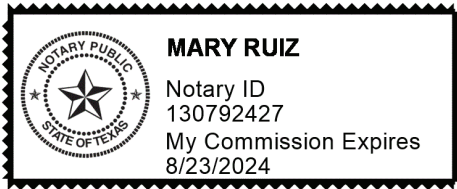
# 2022-7200

Commissioner's Order  
Qualitas Insurance Agency, LLC  
SOAH Docket No. 454-21-0292.C  
Page 5 of 5

DocuSigned by:  
*David Moreno*  
A1E3961B35DD4A3...  
Affiant

SWORN TO AND SUBSCRIBED before me by means of an interactive two-way audio and video communication on 1/13/2022. This notarial act was an online notarization.

## Notary Seal



## Digital Certificate

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

**2022-7200**

ACCEPTED  
454-21-0292  
10/2/2020 8:57 AM  
STATE OFFICE OF  
ADMINISTRATIVE HEARINGS  
Jodi Brown, CLERK

FILED  
454-21-0292  
10/2/2020 8:18 AM  
STATE OFFICE OF  
ADMINISTRATIVE HEARINGS  
Jodi Brown, CLERK

**SOAH DOCKET NO. 454-21-0292  
TDI ENFORCEMENT FILE NO. 18364**

**TEXAS DEPARTMENT OF INSURANCE,**

**BEFORE THE STATE OFFICE**

**Petitioner**

**v.**

**OF**

**QUALITAS INSURANCE AGENCY, LLC,**

**ADMINISTRATIVE HEARINGS**

**Respondent**

**NOTICE OF HEARING**

The Texas Department of Insurance seeks to take disciplinary action against Qualitas Insurance Agency, LLC. 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 **Friday, December 18, 2020, 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](http://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.**

**EXHIBIT**  
**A**

## 2022-7200

Notice of Hearing

Qualitas Insurance Agency, LLC

SOAH Docket No. 454-21-0292

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, 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 Ellis Fraser, Staff Attorney  
Texas Department of Insurance  
Enforcement Division, MC110-1A  
P.O. Box 149104  
Austin, Texas 78714-9104

## 2022-7200

Notice of Hearing

Qualitas Insurance Agency, LLC

SOAH Docket No. 454-21-0292

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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](http://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

Qualitas Insurance Agency, LLC

SOAH Docket No. 454-21-0292

Page 4 of 5

Respectfully Submitted,



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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

## 2022-7200

Notice of Hearing

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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 certified mail, return receipt requested, on this 2nd day of October, 2020 to:

Qualitas Insurance Agency, LLC  
3198 W. Parka Rd., Suite 3110  
Plano, Texas 75075

Via CM/RRR No.: 9214 8901 9403 8322 2568 04  
Email: [contactus@qtasinsur.com](mailto:contactus@qtasinsur.com)



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Whitney Ellis Fraser

**SOAH DOCKET NO. 454-\_\_\_\_\_**  
**TDI ENFORCEMENT FILE NO. 18364**

**TEXAS DEPARTMENT OF INSURANCE,**

**Petitioner**

**v.**

**QUALITAS INSURANCE AGENCY, LLC,**

**Respondent**

**BEFORE THE STATE OFFICE**

**OF**

**ADMINISTRATIVE HEARINGS**

**ORIGINAL PETITION**

The Texas Department of Insurance seeks to take disciplinary action against Qualitas Insurance Agency, LLC's license as it has engaged in dishonest and fraudulent conduct including misappropriation of insurance premiums. 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, and 4051.051 and TEX. GOV'T CODE §§ 2001.051-2001.178.

**Factual Allegations**

1. Qualitas Insurance Agency, LLC (Qualitas), firm identification no. 102085, holds a general lines agency license with a property and casualty qualification originally issued on November 20, 2014.
2. Qualitas is owned by Joaquin Orlando Justinico Rodriguez, aka Orlando Justinico, who let his personal insurance license lapse in 2014. Mr. Justinico does not reside in the United States, and Qualitas is currently operated in Texas by licensed agent Juan Sebastian Borja (Borja).
3. Borja, individual identification no. 2020508, holds a general lines license with a property and casualty qualification originally issued on July 9, 2019.

**EXHIBIT**

**B**

## 2022-7200

Original Petition

Qualitas Insurance Agency, LLC

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4. Based on information from a previous employee, Qualitas designates a licensed Texas agent as the responsible person on a rotating basis because the owners are not licensed and do not reside in this country. Qualitas has a call center in Columbia that provides insurance services and only has one registered location of business in Plano, Texas.
5. Qualitas engages in a pattern of conduct intended to misappropriate money from third parties and which leaves consumers without insurance.
6. Qualitas enters into premium finance agreements with US Premium Finance (US Premium) on behalf of insureds to fund the insured's insurance policy premium amounts.
7. US Premium issues the money directly to Qualitas, but Qualitas does not forward the money on to the insurer to bind the policy and/or only sends partial amounts and the insurance policy subsequently cancels. Qualitas keeps the money for its own benefit and use.
8. In other scenarios, the insured pays US Premium directly for the funded premium. Since the money is issued directly to Qualitas and Qualitas does not forward the money to the insurer, the balance owed to US Premium is reduced by the insured's payment and Qualitas receives the benefit of the balance reduction while keeping the entirety of the funded money.
9. Qualitas has also submitted falsified premium finance applications to US Premium without the purported insured's consent or knowledge by creating fictitious businesses to obtain funding with the intent of keeping the money.
10. US Premium notified the department that Qualitas has made only two payments to US Premium in the amount of \$33,739.20, on at least 11 policies that it has funded. Any payments made to US Premium are credited to the overall balance for Qualitas' business with US Premium. The current balance owed to US Premium Finance is \$57,292.12.
11. The following are examples of Qualitas' patten of misconduct.

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Original Petition

Qualitas Insurance Agency, LLC

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### FG Trucking

12. Insured FG Trucking entered into a premium finance agreement with US Premium for policy #xxxxxxxx4186 to fund an insurance policy with Lloyds of London. The policy was issued on October 23, 2018, and had a total premium of \$8,477.12.
13. US Premium issued the entire amount to Qualitas. US Premium was paid \$5,312.64 in a refund check from managing general agent All Risks Limited, and then the insured paid US Premium directly an amount of \$2,132.70, leaving a balance of \$1,031.78.
14. US Premium canceled the finance agreement for non-payment on March 15, 2019.
15. Qualitas has not paid the balance to US Premium and benefited in the balance reduction by payments from the managing general agent and the insured directly to US Premium.

### DLT Transportation LLC

16. Insured DLT Transportation LLC entered into a premium finance agreement with US Premium for policy #xxxxxxx6416 to fund an insurance policy with National Liability & Fire Insurance. The policy was issued on December 12, 2018, and had a total premium of \$48,326.11.
17. US Premium paid \$14,004.00 directly to managing general agency MJ Kelly of Texas, and then \$32,322.11 directly to Qualitas. US Premium was paid \$9,440.01 by the insured, leaving a balance of \$24,882.10 that was owed on the agreement.
18. US Premium canceled the finance agreement due to non-payment on June 28, 2019, and National Liability canceled the insurance policy on April 12, 2019.
19. The insured had a loss on May 13, 2019; however, the claim was denied as the policy had already canceled.
20. Qualitas has not paid the balance to US Premium and benefited in the balance reduction by the payments made by the insured directly to US Premium.

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Original Petition

Qualitas Insurance Agency, LLC

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### L.H.

21. Insured L.H. allegedly entered into a premium finance agreement with US Premium for policy #xxxxxxx5936 to fund an insurance policy with National Liability & Fire Insurance. The policy was issued on January 1, 2019, and had a total premium of \$12,390.40.
22. US Premium issued the entire premium amount to Qualitas. US Premium was paid \$6,396.91 on this finance agreement leaving a balance of \$5,993.49.
23. US Premium canceled the finance agreement on January 14, 2019, due to non-payment and National Liability cancelled the policy on January 3, 2019.
24. L.H. operates a business located at the address on the premium finance application, however the phone number is off by one digit. L.H. was not aware of this policy and has had coverage through Lloyds of London for the past three years for his business.
25. The premium finance application appears to be fake and submitted by Qualitas without the insured's consent or notice.

### Red Hill Transport LLC

26. Insured Red Hill Transport LLC, entered into a premium finance agreement with US Premium for policy #xxxxxxx 6982 to fund an insurance policy with National Liability & Fire Insurance. The policy was issued on January 5, 2019, and had a total premium of \$29,651.94.
27. US Premium paid \$12,771.94 directly to managing general agent MJ Kelly of Texas, and then \$16,880.00 directly to Qualitas. US Premium was paid \$4,894.30 from the insured via e-check, leaving a balance of \$11,985.70.
28. US Premium canceled the finance agreement on November 5, 2019, due to non-payment and National Liability canceled the policy June 5, 2019. Qualitas has not paid the balance to US Premium and benefited in the balance reduction by the payments made by the insured directly to US Premium.

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Original Petition

Qualitas Insurance Agency, LLC

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### A.D.

29. Insured A.D. entered into a premium finance agreement with US Premium for policy #xxxxxxx7181 to fund an insurance policy with National Liability & Fire Insurance. The policy was issued on January 9, 2019, and had a total premium of \$7,522.40.
30. US Premium issued the entire amount directly to Qualitas. US Premium was paid \$2,917.10 from the insured via e-check, leaving a balance of \$4,605.30.
31. US Premium canceled the finance agreement on June 25, 2019, due to non-payment and National Liability canceled the policy on April 12, 2019. Qualitas has not paid the balance to US Premium and benefited in the balance reduction by the payments made by the insured directly to US Premium.

### V.L.

32. Insured V.L. entered into a premium finance agreement with US Premium for policy #xxxxx6564-01 to fund an insurance policy with Hallmark Specialty Insurance. The policy was issued on January 31, 2019, and had a total premium of \$14,982.40.
33. US Premium issued the entire amount directly to Qualitas. US Premium was paid \$5,820.82 directly from the insured over several months, leaving a balance of \$9,161.58.
34. US Premium canceled the finance agreement on September 13, 2019. Qualitas has not paid the balance to US Premium and benefited in the balance reduction by the payments made by the insured directly to US Premium.

### **Legal Allegations**

1. Qualitas 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. Qualitas willfully violated an insurance law of this state, as contemplated by TEX. INS. CODE § 4005.101(b)(1).

3. Qualitas misappropriated, converted to its own use, or illegally withheld money belonging to an insured or insurer, as contemplated by TEX. INS. CODE § 4005.101(b)(4).
4. Qualitas 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 Qualitas Insurance Agency, LLC's license;
2. directing Qualitas to make restitution to victims under TEX. INS. CODE § 82.053; and
3. 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,



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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



**2022-7200**

**SOAH DOCKET NO. 454-21-0292.C  
TDI ENFORCEMENT FILE NO. 18364**

ACCEPTED  
454-21-0292  
12/29/2021 12:45:12 pm  
STATE OFFICE OF  
ADMINISTRATIVE HEARINGS  
Carol Hale, CLERK

**TEXAS DEPARTMENT OF INSURANCE,**

**BEFORE THE STATE OFFICE**

**Petitioner**

**v.**

**OF**

**QUALITAS INSURANCE AGENCY, LLC,**

**ADMINISTRATIVE HEARINGS**

**Respondent**

**AMENDED NOTICE OF HEARING**

The Texas Department of Insurance seeks to take disciplinary action against Qualitas Insurance Agency, LLC. This Amended Notice of Hearing and the Amended 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, January 10, 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 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.

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## **2022-7200**

Amended Notice of Hearing  
Qualitas Insurance Agency, LLC  
SOAH Docket No. 454-21-0292.C  
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**CEASE AND DESIST ORDER, IMPOSITION OF ADMINISTRATIVE PENALTIES, AND/OR PAYMENT OF RESTITUTION, DENIAL OF YOUR LICENSE APPLICATION, IS GRANTED BY DEFAULT.**

### **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](http://www.soah.texas.gov), click on the "E-Services" tab, then click the "eFiling" hyperlink, and follow the instructions.

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### **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.

## 2022-7200

Amended Notice of Hearing  
Qualitas Insurance Agency, LLC  
SOAH Docket No. 454-21-0292.C  
Page 3 of 3

Respectfully Submitted,



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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

### CERTIFICATE OF SERVICE

I, Whitney Fraser, certify that a true and correct copy of the *Amended Notice of Hearing and Amended Original Petition* served via the SOAH efile system, and by the following methods shown, on Wednesday, December 29, 2021, to:

Sebastian Borja  
Orlando Justinico  
6800 Weiskopf Avenue, Suite 150  
McKinney, Texas 75070

Via Email: [sebastianb@qtasinsur.com](mailto:sebastianb@qtasinsur.com)  
Via Email: [contactus@qtasinsur.com](mailto:contactus@qtasinsur.com)  
Via Email: [orlando@qtasinsur.com](mailto:orlando@qtasinsur.com)



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Whitney Ellis Fraser

**2022-7200**

FILED  
454-21-0292  
12/29/2021 12:29 PM  
STATE OFFICE OF  
ADMINISTRATIVE HEARINGS  
Carol Hale, CLERK

**SOAH DOCKET NO. 454-21-0292.C  
TDI ENFORCEMENT FILE NO. 18364**

ACCEPTED  
454-21-0292  
12/29/2021 12:45:12 pm  
STATE OFFICE OF  
ADMINISTRATIVE HEARINGS  
Carol Hale, CLERK

**TEXAS DEPARTMENT OF INSURANCE,**

**BEFORE THE STATE OFFICE**

**Petitioner**

**v.**

**OF**

**QUALITAS INSURANCE AGENCY, LLC,**

**ADMINISTRATIVE HEARINGS**

**Respondent**

**AMENDED ORIGINAL PETITION**

The Texas Department of Insurance seeks to take disciplinary action against Qualitas Insurance Agency, LLC's license as it has engaged in dishonest and fraudulent conduct including misappropriation of insurance premiums. 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, and, and 4051.051 and TEX. GOV'T CODE §§ 2001.051-2001.178.

**Factual Allegations**

1. Qualitas Insurance Agency, LLC (Qualitas), firm identification no. 102085, holds a general lines agency license with a property and casualty designation originally issued on November 20, 2014.
2. Qualitas is owned by Joaquin Orlando Justinico Rodriguez, aka Orlando Justinico, who let his personal insurance license lapse in 2014. Mr. Justinico may not reside in the United States and Qualitas is currently operated in Texas by licensed agent Juan Sebastian Borja.
3. Mr. Borja, individual identification no. 2020508, holds a general lines license with a property and casualty designation originally issued on July 9, 2019.



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Qualitas Insurance Agency, LLC  
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4. Based on information from a previous employee, Qualitas designates a licensed Texas agent as the responsible person on a rotating basis because the owners are not licensed and do not reside in this country. Qualitas may operate a call center in Columbia that may provide insurance services, but only has one registered location of business in Plano, Texas.
5. Qualitas engages in a pattern of conduct intended to misappropriate money from third parties and which leaves consumers without insurance.
6. Qualitas enters into premium finance agreements with US Premium Finance (US Premium) or other similar companies on behalf of insureds to fund the insured's insurance policy premium amounts.
7. US Premium issues money directly to Qualitas, but Qualitas does not forward the money on to the insurer or managing general agent to bind the policy and/or only sends partial amounts and the insurance policy subsequently cancels. Qualitas keeps the money for its own benefit and use.
8. In other scenarios, the insured pays US Premium directly for the funded premium. Since the money is issued directly to Qualitas and Qualitas does not forward the money to the insurer or managing general agent, the balance owed to US Premium is reduced by the insured's payment and Qualitas receives the benefit of the balance reduction while keeping the entirety or portions of the funded money.
9. US Premium notified the department that Qualitas has made only a few payments to US Premium on multiple policies. Any payments made to US Premium are credited to the overall balance for Qualitas' business with US Premium. The current balance owed to US Premium Finance as of December 9, 2021, is \$27,936.82 for six overdue accounts.
10. The following four accounts are examples of Qualitas' pattern of misconduct.

### DLT Transportation LLC

11. Qualitas, on behalf of insured DLT Transportation LLC, entered into a premium finance agreement with US Premium to fund policy #xxxxxxx6416 with National Liability & Fire Insurance. The policy was issued on December 12, 2018, and had

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an amount financed of \$48,326.11, representing premium for the policy and endorsements.

12. US Premium paid \$14,004.00 directly to managing general agency MJ Kelly of Texas, and then \$34,322.11 directly to Qualitas.
13. US Premium was paid amounts directly from the insured and received premium amounts in return after the policy canceled, leaving a balance of \$5,495.12, which represents the balance plus fees, late charges and interest.
14. National Liability canceled the policy on April 12, 2019, for nonpayment of premium.
15. The insured had a loss on May 13, 2019; however, the claim was denied as the policy had already canceled.
16. This loss has yet to be paid and is part of ongoing private litigation.
17. Qualitas has not paid US Premium the \$5,495.12 balance owed.

### L.H., HDZ Transport

18. Qualitas, on behalf of insured L.H., HDZ Transport, entered into a premium finance agreement with US Premium to fund policy #xxxxxxx5936 with National Liability & Fire Insurance. The policy was issued on November 28, 2018, and had a total amount financed of \$12,390.40.
19. US Premium paid \$12,390.40 directly to Qualitas.
20. US Premium received premium amounts in return after the policy canceled, leaving a balance of \$6,189.94, which represents the balance plus fees, late charges and interest.
21. National Liability canceled the policy on January 3, 2019, for failure to meet underwriting criteria.
22. Qualitas has not paid US Premium the \$6,189.94 balance owed.

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### Red Hill Transport LLC

23. Qualitas, on behalf of insured Red Hill Transport LLC, entered into a premium finance agreement with US Premium to fund policy #xxxxxxx 6982 with National Liability & Fire Insurance. The policy was issued on January 4, 2019, and had a total amount financed of \$29,651.94, representing premium for the policy and an endorsement.
24. US Premium paid \$12,771.94 directly to managing general agent MJ Kelly of Texas, and then \$16,880.00 directly to Qualitas.
25. US Premium was paid amounts directly from the insured, and a few payments were made by Qualitas, leaving a balance of \$1,514.04, which represents the balance plus fees, late charges and interest.
26. National Liability originally canceled the policy April 12, 2019, for nonpayment. However, MJ Kelley of Texas notified National Liability that Qualitas had made payment prior to the cancellation. MJ Kelley of Texas later notified National Liability that Qualitas' payment was returned for insufficient funds, therefore the policy should be canceled.
27. National Liability canceled the policy on June 5, 2019, for nonpayment of premium.
28. Qualitas has not paid US Premium the \$1,514.04 balance owed.

### A.D.

29. Qualitas, on behalf of insured A.D., entered into a premium finance agreement with US Premium to fund policy #xxxxxxx7181 with National Liability & Fire Insurance. The policy was issued on January 8, 2019, and had a total amount financed of \$7,522.40.
30. US Premium issued the entire amount directly to Qualitas.
31. US Premium was paid directly from the insured, leaving a balance of \$4,820.76, which represents the balance plus fees, late charges and interest.

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32. National Liability canceled the policy on April 12, 2019, for nonpayment of premium.
33. Qualitas has not paid US Premium the \$4,820.76 balance owed.

### **Legal Allegations**

1. Qualitas 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. Qualitas willfully violated an insurance law of this state, as contemplated by TEX. INS. CODE § 4005.101(b)(1).
3. Qualitas misappropriated, converted to its own use, or illegally withheld money belonging to an insured or insurer, as contemplated by TEX. INS. CODE § 4005.101(b)(4).
4. Qualitas 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 Qualitas Insurance Agency, LLC's license 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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Qualitas Insurance Agency, LLC  
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Respectfully Submitted,



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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

### CERTIFICATE OF SERVICE

I, Whitney Fraser, certify that a copy of this *Amended Original Petition* was served via the SOAH efile system, and by the following methods shown, on Wednesday, December 29, 2021, to:

Sebastian Borja  
Orlando Justinico  
6800 Weiskopf Avenue, Suite 150  
McKinney, Texas 75070

Via Email: [sebastianb@qtasinsur.com](mailto:sebastianb@qtasinsur.com)  
Via Email: [contactus@qtasinsur.com](mailto:contactus@qtasinsur.com)  
Via Email: [orlando@qtasinsur.com](mailto:orlando@qtasinsur.com)



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Whitney Ellis Fraser



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: 10/02/2020  
 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 0024 4813 03

FRASER/18364





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 8322 2568 04

FRASER/18364

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

QUALITAS INSURANCE AGENCY LLC 3188 W PARKA RD SUITE 3110 PLANO TX 75075

Affix Stamp Here

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

2022-7200

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, S Fee. Includes a row for 'FRASER/18364' with postage 1.60 and extra service fee 3.55.

Total Number of Pieces Listed by Sender: 1
















Total Number of Pieces Received at Post Office: 1

Postmaster, Per (Name of receiving employee)

# 2022-7200

Tracking #: 9214890194038322256804

Recipient: QUALITAS INSURANCE AGENCY LLC  
3198 W PARKA RD SUITE 3110  
PLANO TX 75075

Date & Time	Event Type	Event	Event Location
10/02/2020 08:16		PRE-SHIPMENT INFO SENT USPS AWAITS ITEM	AUSTIN,TX, 78701
10/06/2020 10:17		ORIGIN ACCEPTANCE	AUSTIN,TX, 78701
10/06/2020 11:32		PROCESSED THROUGH USPS FACILITY	AUSTIN,TX, 78710
10/06/2020 21:36		DEPART USPS FACILITY	AUSTIN,TX, 78710
10/07/2020 16:48		PROCESSED THROUGH USPS FACILITY	COPPELL,TX, 75099
10/08/2020 04:37		PROCESSED THROUGH USPS FACILITY	COPPELL,TX, 75099
10/09/2020 11:58		ADDRESSEE UNKNOWN	PLANO,TX, 75075
10/20/2020 13:17		ADDRESSEE UNKNOWN	PLANO,TX, 75075
10/20/2020 13:18		PROCESSED THROUGH USPS FACILITY	PLANO,TX, 75075
10/25/2020 10:53		PROCESSED THROUGH USPS FACILITY	OKLAHOMA CITY,OK, 73107
10/25/2020 22:07		DEPART USPS FACILITY	OKLAHOMA CITY,OK, 73107
10/30/2020 12:58		PROCESSED THROUGH USPS FACILITY	AUSTIN,TX, 78710
10/31/2020 00:47		PROCESSED THROUGH USPS FACILITY	AUSTIN,TX, 78710
10/31/2020 06:52		NO ACCESS	AUSTIN,TX, 78701
11/02/2020 14:10		DELIVERED TO ORIGINAL SENDER	AUSTIN,TX, 78701



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: 10/23/2020  
 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 0024 9135 38

FRASER/18364





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 8323 5964 66

FRASER/18364

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

QUALITAS INSURANCE AGENCY, LLC 3198 W. PARKER RD., SUITE 3110
PLANO, TEXAS 75075

Affix Stamp Here

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

2022-7200

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, S Fee. Includes a large 'Handling Charge - if Registered and over \$50,000 in value' entry.

Total Number of Pieces Listed by Sender: 1

Total Number of Pieces Received at Post Office: 1











Postmaster, Per (Name of receiving employee)

# 2022-7200

## Tracking History

Tracking #: 9214890194038323596466

Recipient: QUALITAS INSURANCE AGENCY, LLC  
3198 W. PARKER RD., SUITE 3110  
PLANO, TEXAS 75075

Date & Time	Event Type	Event	Event Location
10/23/2020 14:16		PRE-SHIPMENT INFO SENT USPS AWAITS ITEM	AUSTIN,TX, 78701
10/26/2020 20:50		ORIGIN ACCEPTANCE	AUSTIN,TX, 78701
10/26/2020 22:05		PROCESSED THROUGH USPS FACILITY	AUSTIN,TX, 78710
10/26/2020 22:18		DEPART USPS FACILITY	AUSTIN,TX, 78710
10/27/2020 13:08		PROCESSED THROUGH USPS FACILITY	COPPELL,TX, 75099
10/30/2020 11:06		FORWARD EXPIRED	PLANO,TX, 75075
11/14/2020 14:29		PROCESSED THROUGH USPS FACILITY	OKLAHOMA CITY,OK, 73107
11/17/2020 13:47		PROCESSED THROUGH USPS FACILITY	AUSTIN,TX, 78710
11/18/2020 00:44		PROCESSED THROUGH USPS FACILITY	AUSTIN,TX, 78710
11/18/2020 10:48		DELIVERED TO ORIGINAL SENDER	AUSTIN,TX, 78701