

No. **2022-7341**

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

Date: 06/16/2022

Subject Considered:

Remco Insurance Agencies, Inc.
P.O. Box 17068
Austin, Texas 78760-7068

Consent Order
TDI Enforcement File No. 25680

General remarks and official action taken:

This is a consent order with Remco Insurance Agencies, Inc. (Remco). The department alleges that Remco allowed unlicensed employees to engage in the business of insurance. Remco has cooperated with the department and has brought its employees into compliance with licensing laws. Remco has also agreed to pay an administrative penalty of \$80,000 for these violations.

Waiver

Remco acknowledges that the Texas Insurance Code and other applicable law provide certain rights. Remco waives all of these rights, and any other applicable procedural rights, in consideration of the entry of this consent order.

Findings of Fact

Licensure

1. Remco, firm identification no. 26830, holds a limited lines agency license originally issued by the Texas Department of Insurance on November 15, 2006.

2022-7341

Commissioner's Order

Remco Insurance Agencies, Inc.

Page 2 of 5

2. Remco also holds a general lines agency license with a property and casualty qualification originally issued by the department on July 8, 2010.

Unlicensed Employees

3. On December 18, 2020, TDI investigators visited two different Remco locations and also solicited insurance quotes over the phone from Remco locations.
4. During the onsite visits, TDI investigators confirmed the employees working at those Remco locations were not properly licensed by the department.
5. Shortly after the onsite visits, at least 25 Remco employees applied for and were issued temporary agent licenses.
6. In March 2021, the department sent requests for information to several insurers with which Remco has appointments. One of the insurers provided an audit of policies showing that some of the policies were written by individuals who did not have a license with the department. TDI reviewed the audit and discovered that out of the sample of policies the insurer selected, approximately 32 individuals were identified as issuing policies without a license. Most of the individuals identified issued only a few policies each without holding a valid license.
7. On April 9, 2021, TDI investigators visited different Remco locations to follow up on Remco's licensing compliance efforts. The investigators confirmed the employees at those locations were all licensed agents.
8. Remco provided TDI with a spreadsheet containing each employee's name, license date, and license type for its approximately 300 employees. Remco maintains that all of its employees are now properly licensed.
9. Remco has cooperated fully with the department and agrees to comply with all insurance laws in the future, including confirming that anyone engaging in the business of insurance is properly licensed, regardless of any change in the name or ownership of the entity agency.

Conclusions of Law

1. The commissioner has jurisdiction over this matter under TEX. INS. CODE §§ 82.051–82.055, 84.021–84.044, 4051.051, and 4051.101.

2022-7341

Commissioner's Order

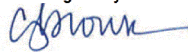
Remco Insurance Agencies, Inc.

Page 3 of 5

2. The commissioner has the authority to informally dispose of this matter as set forth in TEX. GOV'T CODE § 2001.056, TEX. INS. CODE §§ 36.104 and 82.055, and 28 TEX. ADMIN. CODE § 1.47.
3. Remco has knowingly and voluntarily waived all procedural rights to which it may have been entitled regarding the entry of this order, including, but not limited to, issuance and service of notice of intention to institute disciplinary action, notice of hearing, a public hearing, a proposal for decision, rehearing by the commissioner, and judicial review.
4. Remco violated TEX. INS. CODE §§ 101.102, 4051.051 and 4051.101 by allowing unlicensed employees to engage in the business of insurance without a license.

Order

It is ordered that Remco pay an administrative penalty of \$80,000 within 30 days from the date of this order. The administrative penalty must be paid as instructed in the invoice, which the department will send after entry of this order.

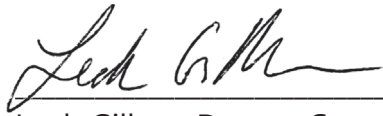
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Cassie Brown
Commissioner of Insurance

2022-7341

Commissioner's Order
Remco Insurance Agencies, Inc.
Page 4 of 5

Recommended and reviewed by:



Leah Gillum, Deputy Commissioner
Fraud and Enforcement Division



Cassie Tighe, Staff Attorney
Enforcement

Affidavit

STATE OF Texas §
§
COUNTY OF Travis §

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

"My name is Rahim Peerbhai. I am of sound mind, capable of making this statement, and have personal knowledge of these facts which are true and correct.

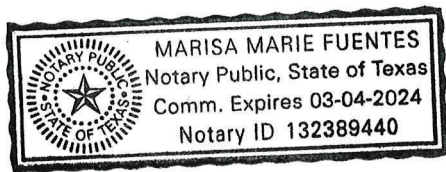
I hold the office of President and am the authorized representative of Remco Insurance Agencies, Inc. I am duly authorized by said organization to execute this statement.

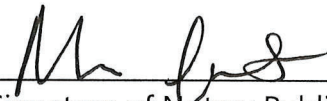
Remco Insurance Agencies, Inc. has knowingly and voluntarily entered into the foregoing consent order and agrees with and consents to the issuance and service of the same by the commissioner of insurance of the state of Texas."


Affiant

SWORN TO AND SUBSCRIBED before me on June 7th, 2022.

(NOTARY SEAL)




Signature of Notary Public
Marisa Fuentes
Printed Name of Notary Public