

No. 2017- 4956

OFFICIAL ORDER
of the
TEXAS COMMISSIONER OF INSURANCE

Date: FEB 22 2017

Subject Considered:

LOUIS MOLINET
134 Haley Drive
New Braunfels, Texas 78132

DEFAULT ORDER
SOAH DOCKET NO. 454-17-1830.C
TDI ENFORCEMENT FILE NO. 11302

General remarks and official action taken:

The commissioner of insurance considers disciplinary action against Louis Molinet.

FINDINGS OF FACT

The commissioner makes the following findings of fact:

1. Louis Molinet, individual identification no. 904009, holds a general lines agent license with a life, accident, and health qualification issued by the Texas Department of Insurance on May 3, 1996.
2. On December 22, 2016, the department sent a notice of hearing to Molinet's last known address provided in writing to the department, 134 Haley Drive, New Braunfels, Texas 78132.
3. Molinet failed to file a written response to the notice of hearing within 20 days of the date the notice of hearing was mailed.
4. In 1998, Molinet obtained a broker license from the Financial Industry Regulatory Authority (FINRA). Effective August 11, 2008, Molinet was permanently barred from the FINRA. He did not notify the department of the FINRA administrative action against him.
5. On December 2, 2010, Gerard and Pat Pape and Molinet signed a document entitled "Louis Molinet Investment Customer Account Information" in which the Papes gave Molinet consent to purchase investment bonds on their behalf.
6. In December of 2010, Molinet accepted three separate checks totaling \$18,000.00 from Gerard and Pat Pape for the stated purpose of purchasing investment bonds.

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7. Molinet failed to purchase the investment bonds for which he was contracted and had accepted payment in December of 2010.
8. On February 4, 2011, Molinet signed a promissory note payable to the Papes to repay the \$18,000.00.
9. Molinet stopped making payments after January of 2014, thereby failing to fulfill his obligations under the promissory note. As of September 2, 2016, Molinet owes \$22,500.00 to satisfy the promissory note.
10. On March 26, 2015, the department contacted Molinet, providing a copy of the complaint against him and requesting a detailed, written statement from him within 15 days pursuant to TEX. INS. CODE § 38.001. Molinet did not respond to the department's request.
11. On April 22, 2015, the department contacted Molinet a second time requesting a detailed, written statement from him within 15 days pursuant to TEX. INS. CODE § 38.001. Molinet did not respond to the department's request.

CONCLUSIONS OF LAW

The commissioner makes the following conclusions of law:

1. 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 4054.051, and TEX. GOV'T CODE §§ 2001.051- 2001.178.
2. TEX. GOV'T CODE § 2001.056; TEX. INS. CODE § 82.055; and 28 TEX. ADMIN. CODE §§ 1.47, 1.88, and 1.89 give the commissioner authority to dispose of this case informally.
3. Based on 28 TEX. ADMIN. CODE § 19.906, Molinet's last known address is presumed to be 134 Haley Drive, New Braunfels, Texas 78132.
4. TDI sent a notice of hearing to Molinet's last known address, as required by 28 TEX. ADMIN. CODE §§ 1.28(c) and 1.88(c), 1 TEX. ADMIN. CODE § 155.401, and TEX. GOV'T CODE Ch. 2001.
5. The allegations in the notice of hearing, set out herein as findings of fact nos. 1 and 4-11, are deemed admitted as true pursuant to 28 TEX. ADMIN. CODE § 1.89.
6. Molinet misappropriated, converted to his own use or illegally withheld money belonging to an insurer, HMO, insured, enrollee or beneficiary, in violation of TEX. INS. CODE § 4005.101(b)(4).
7. Molinet engaged in fraudulent or dishonest acts or practices, in violation of TEX. INS. CODE § 4005.101(b)(5).
8. Molinet failed to notify the department of an administrative action taken against him by a financial or insurance regulator of this state, another state, or the United States, as required by TEX. INS. CODE § 4001.252(a)(3).

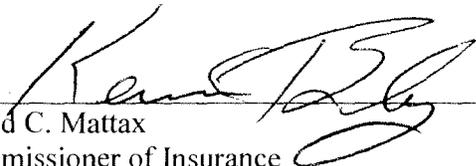
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9. Molinet failed to respond to the department's inquiries in writing no later than the 10th day after the date the inquiry was received, as required by TEX. INS. CODE ANN. § 38.001

The commissioner of insurance revokes Louis Molinet's general lines agent license with a life, accident, and health qualification.



David C. Mattax
Commissioner of Insurance
By: Kevin C. Brady, Deputy Commissioner
Delegation Order 4506

Approved as to Form and Content:



Lakisha T. Seldon McKay
Enforcement Section, Compliance Division
Texas Department of Insurance

