

No. 2018 - 5559

**OFFICIAL ORDER  
of the  
TEXAS COMMISSIONER OF INSURANCE**

**Date: JUL 03 2018**

**Subject Considered:**

WILLIAM OTIS HAFF  
111 Lariat Dr  
San Antonio, Texas 78232

**DEFAULT ORDER**  
SOAH DOCKET NO. 454-18-3407.C  
TDI ENFORCEMENT FILE NO. 15900

The subject of this order is whether disciplinary action should be taken against William Otis Haff (Haff).

**FINDINGS OF FACT**

**Licensure**

1. Haff holds a general lines agent license with a life, accident, and health qualification issued by the Texas Department of Insurance on April 7, 1995, and a life and health insurance counselor license issued by the department on June 17, 2002.

**Employment**

2. From at least 2007 to 2014, Haff served as a paid independent insurance consultant for various school districts.
3. Through his position, Haff assisted with the preparation of Requests for Proposal (RFPs), evaluated responses to RFPs, negotiated rates, and made recommendations regarding insurance coverages and purchases to the districts.
4. Haff's contract with the various school districts stated he was not permitted to receive any additional compensation for services paid by the districts.

**Fraudulent and Unlawful Conduct**

5. Pursuant to information in Haff's indictment from the United States District Court, Western District of Texas, San Antonio Division in case number 5:15-cr-00065-XR-1, from on or about March 20, 2007, through on or about June 30, 2014, Haff knowingly, intentionally, and unlawfully combined, conspired, confederated, and agreed with others to commit an offense against the United States.

6. Haff devised and executed a scheme and artifice to obtain money and property by means of materially false and fraudulent pretenses, representations, and promises that defrauded and deprived citizens and multiple school districts of their right to his honest and faithful service as a contracted individual through bribery, kickbacks, and concealment of material information.
7. Haff sought to corruptly influence school districts in order to direct the purchase of insurance policies from companies working with the company Mullen Pension & Benefits GP Inc. (the Mullen Group) by accepting bribes in exchange for favorable outcomes to the Mullen Group.
8. Through bribery, kickbacks, and concealment of material information, Haff provided the content of contract bids submitted by competing companies and other information or matters that were not available to those competing companies, with the Mullen Group or its clients.
9. Through his actions, Haff caused the purchase of insurance products from companies with whom the Mullen Group had a financial interest.
10. Haff accepted at least \$83,532.79 in bribes and compensation to secure contracts for companies in which the Mullen Group had a financial interest.
11. Haff failed to disclose to the school districts that he received additional payment for services which were material to the school districts' decisions to purchase products or policies.

### **Criminal History**

12. Haff has pled guilty to Conspiracy to Commit Honest Services Wire Fraud in the United States District Court, Western District of Texas, San Antonio Division in case number 5:15-cr-00065-XR-1.

### **Failure to Respond to Notice of Hearing**

13. On May 1, 2018, the department sent a notice of hearing to Haff's last known address provided in writing to the department, 111 Lariat Dr, San Antonio, Texas 78232.
14. Haff failed to file a written response to the notice of hearing within 20 days of the date the notice of hearing was mailed.

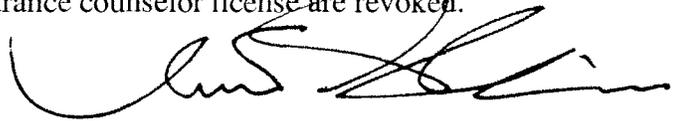
### **Failure to Appear at Hearing on the Merits**

15. After receiving proper notice of the date, time, and location of the hearing on the merits, Haff failed to appear for the hearing on May 30, 2018.

**CONCLUSIONS OF LAW**

1. The commissioner has jurisdiction over this matter pursuant to TEX. INS. CODE §§ 82.051-82.055, 4001.002, 4005.101-4005.105, 4052.051, and 4054.051; 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. Pursuant to 28 TEX. ADMIN. CODE § 19.906, Haff's last known address is presumed to be 111 Lariat Dr, San Antonio, Texas 78232.
4. The department sent a notice of hearing to Haff'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. Haff received 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, and 1.89.
6. Based on Haff's failure to file a written response to the notice of hearing and failure to appear in person or by legal representative at the hearing, the department is entitled to disposition by default pursuant to 28 TEX. ADMIN. CODE §§ 1.88 and 1.89.
7. The department's allegations in the notice of hearing, set out herein as findings of fact nos. 1-12, are deemed admitted as true pursuant to 28 TEX. ADMIN. CODE § 1.89.
8. Haff has willfully violated an insurance law of this state, as contemplated by TEX. INS. CODE § 4005.101(b)(1).
9. Haff has engaged in fraudulent or dishonest acts or practices, as contemplated by TEX. INS. CODE § 4005.101(b)(5).
10. Haff has been convicted of a felony, as contemplated by TEX. INS. CODE § 4005.101(b)(8).

It is ordered that William Otis Haff's general lines agent license with a life, accident, and health qualification and his life and health insurance counselor license are revoked.



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Kent C. Sullivan  
Commissioner of Insurance

**AFFIDAVIT**

**STATE OF TEXAS**           §  
  §  
**COUNTY OF TRAVIS**       §

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

“My name is Mary Ruiz 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 William Otis Haff. I have confirmed that:

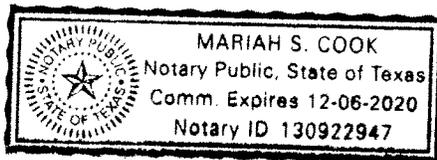
- a. The last mailing address provided to the department by William Otis Haff in writing is 111 Lariat Dr, San Antonio, Texas 78232.
- b. The file maintained by the Enforcement Section of the Legal and Enforcement Division contains a notice of hearing dated May 1, 2018, which was filed with the State Office of Administrative Hearings.
- c. On May 1, 2018, a notice of hearing addressed to William Otis Haff, was mailed first class and certified, with return receipt requested, to his last known address.

Copies of the first class log and certified mail log maintained by the Enforcement Section are attached as Exhibit A and Exhibit B.”

*Mary Ruiz*  
Affiant

SWORN TO AND SUBSCRIBED before me on June 21, 2018, 2018.

(NOTARY SEAL)



*M. S. Cook*  
Signature of Notary Public

MARIAH S. COOK  
Printed Name of Notary Public

Name and Address of Sender

Texas Dept of Insurance  
 Mail Code 110-1A  
 333 Guadalupe St  
 Austin TX 78701

Mary Ruiz  
 May 1, 2018

- Check type of mail or service
- Adult Signature Required
  - Adult Signature Restricted Delivery
  - Certified Mail
  - Certified Mail Restricted
  - Collect on Delivery (COD)
  - Insured Mail
  - Priority Mail
  - Priority Mail Express
  - Registered Mail
  - Return Receipt for Merchandise
  - Signature Confirmation
  - Signature Confirmation Restricted Delivery

Affix Stamp Here  
 (if issued as an international certificate of mailing or for additional copies of this receipt). Postmark with Date of Receipt

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USPS Tracking/Article Number	Address (Name, Street, City, State, & Zip Code)	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	SH Fee
ANDREWS/15900	JASON DAVIS DAVIS & SANTOS, P.C. 719 S. FLORES STREET SAN ANTONIO, TX 78204	.47												
ANDREWS/15900	WILLIAM OTIS HAFF 111 LARIAT DR SAN ANTONIO, TX 78232	.47		50,000 in value										

RECEIVED  
 MAY 03 2018

GME WINDC  
 MAY -1 2018  
 AUSTIN TX 78719

OFFICIAL BUSINESS  
 STATE OF TEXAS  
 PENALTY FOR PRIVATE USE

Handing Charge's

Adult Signature Requ.

Adult Signature Restricted Deliv

Restricted Delivery

Return Receipt

Signature Confirmation

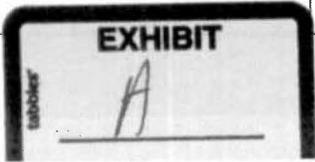
Signature Confirmation Restricted Delivery

Special Handling

Total Number of Pieces Listed by Sender: 2

Total Number of Pieces Received at Post Office: 2

Postmaster, Per (Name of receiving employee): *OR*





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# 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: 05/01/2018

Shipped From:

Name: MC 110-1A M RUIZ

Address: 333 GUADALIPE 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	2
Total	2

\*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 0008 2451 74

