

No. 2018 - 5560

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

**Date: JUL 03 2018**

**Subject Considered:**

SAMUEL DAVID MULLEN  
112 Port Royal  
Aransas Pass, Texas 78336

**DEFAULT ORDER**  
SOAH DOCKET NO. 454-18-3404.C  
TDI ENFORCEMENT FILE NO. 15899

The subject of this order is whether disciplinary action should be taken against Samuel David Mullen (Mullen).

**FINDINGS OF FACT**

**Licensure**

1. In October 2004, Mullen applied as an Officer and Director on the agency license for Mullen Pension & Benefits GP Inc. (the Mullen Group). On October 14, 2004, the Texas Department of Insurance issued a general lines agency license with a life, accident, and health qualification to the Mullen Group.
2. Mullen individually holds a general lines agent license with a property and casualty qualification and a life, accident, and health qualification issued by the department on March 28, 2005.
3. Mullen was the Chief Financial Officer for the Mullen Group. Through his position, Mullen secured, or sought to secure, insurance contracts for various companies.
4. On or about May 26, 2016, the Mullen Group requested the department change the name of the agency to Agora Benefits Solutions, LP (Agora).
5. On May 29, 2018, Agora surrendered its insurance license.

**Fraudulent and Unlawful Conduct**

6. Pursuant to information in Mullen's indictment in the United States District Court, Western District of Texas, San Antonio Division, in case number 5:16-cr-00657-XR-1, from on or about March 20, 2007, through on or about June 30, 2014, Mullen knowingly, intentionally,

- and unlawfully combined, conspired, confederated, and agreed with others to commit an offense against the United States.
7. Mullen 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 the honest and faithful service of a contracted individual through bribery, kickbacks, and concealment of material information.
  8. In order to direct the purchase of insurance policies from companies working with the Mullen Group and to enrich himself by secretly obtaining favorable outcomes, Mullen sought to corruptly influence school districts by bribing a contracted individual.
  9. Through bribery, kickbacks, and concealment of material information, Mullen was provided with the content of contract bids submitted by competing companies and other information or matters that were not available to those competing with the Mullen Group or its clients.
  10. Through his actions, Mullen caused the purchase of insurance products from companies with whom the Mullen Group had a financial interest.
  11. Mullen individually and through his company, the Mullen Group, paid at least \$83,532.79 in bribes and compensation to secure contracts for companies in which the Mullen Group had a financial interest and which resulted in a personal profit to Mullen through the commissions associated with the receipt of those insurance contracts.

### **Criminal History**

12. On or about April 16, 2018, Mullen was sentenced to serve 37 months confinement to begin on July 27, 2018, and three years supervised release after completion of the confinement period for the offense of Conspiracy to Commit Honest Services Wire Fraud in the United States District Court, Western District of Texas, San Antonio Division, in case number 5:16-cr-00657-XR-1.

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

13. On May 1, 2018, the department sent a notice of hearing to Mullen's last known address provided in writing to the department, 112 Port Royal, Aransas Pass, Texas 78336.
14. On May 21, 2018, Mullen filed a response to the notice of hearing with the department, but failed to file a response with the State Office of Administrative Hearings (SOAH) within 20 days of the date the notice of hearing was mailed.

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

15. On May 28, 2018, at 10:56 p.m., Mullen filed with the department a request for continuance. Mullen failed to file a motion with the SOAH.

16. On May 29, 2018, Administrative Law Judge Starnes, denied Mullen's request for a continuance.
17. After receiving proper notice of the date, time, and location of the hearing on the merits, Mullen failed to appear for the hearing on May 29, 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, 4051.051, 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, Mullen's last known address is presumed to be 112 Port Royal, Aransas Pass, Texas 78336.
4. The department sent a notice of hearing to Mullen'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. Mullen 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 Mullen'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. Mullen has willfully violated an insurance law of this state, as contemplated by TEX. INS. CODE § 4005.101(b)(1).
9. Mullen has engaged in fraudulent or dishonest acts or practices, as contemplated by TEX. INS. CODE § 4005.101(b)(5).
10. Mullen has been convicted of a felony, as contemplated by TEX. INS. CODE § 4005.101(b)(8).
11. Mullen has been sentenced to confinement following a felony conviction, as contemplated by TEX. OCC. CODE § 53.021(b), resulting in revocation of his license by operation of law upon imprisonment.

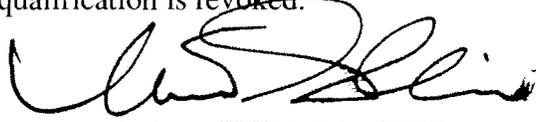
2078-5560

COMMISSIONER'S ORDER

Samuel David Mullen

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It is ordered that Samuel David Mullen's general lines agent license with a property and casualty qualification and a life, accident, and health qualification is revoked.



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Kent C. Sullivan  
Commissioner of Insurance

AFFIDAVIT

STATE OF TEXAS           §  
  §  
COUNTY OF TRAVIS       §

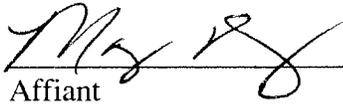
Before me, the undersigned authority, personally appeared Mary Ruiz, who, being by me duly sworn, deposed as follows:

“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 Samuel David Mullen. I have confirmed that:

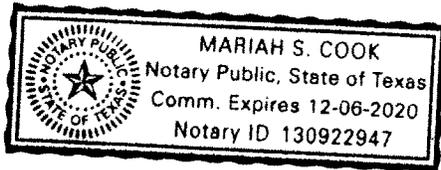
- a. The last mailing address provided to the department by Samuel David Mullen in writing is 112 Port Royal, Aransas Pass, Texas 78336.
- b. The file maintained by the Enforcement Section of the Legal and Enforcement Division contains a notice of hearing dated May 1, 2018, which was filed with the State Office of Administrative Hearings.
- c. On May 1, 2018, a notice of hearing addressed to Samuel David Mullen, 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.”

  
\_\_\_\_\_  
Affiant

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

(NOTARY SEAL)



  
\_\_\_\_\_  
Signature of Notary Public

MARIAH S. COOK  
\_\_\_\_\_  
Printed Name of Notary Public

2018-0955

**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

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/15899	DAVID R. GORENA LAW OFFICE OF DAVID GORENA 420 WEST UNIVERSITY DRIVE EDINBURG, TX 78539	47												
ANDREWS/15899	SAMUEL DAVID MULLEN 112 PORT ROYAL ARANSAS PASS, TX 78336	47												
<p>over \$50,000 in value</p> <p>Handling</p> <p>Adult Signature R.</p> <p>Adult Signature Restricted</p> <p>Restricted Delivery</p> <p>Return Receipt</p> <p>Signature Confirmation</p> <p>Signature Confirmation Restricted Delivery</p> <p>Special Handling</p>														
Total Number of Pieces Listed by Sender	Total Number of Pieces Received at Post Office	Postmaster, Per (Name of receiving employee)												
2		M												

**RECEIVED**  
 MAY 03 2018  
 TDI - ENFORCEMENT

GMF WINDOW  
 MAY - 1 2018  
 AUSTIN TX 78710

OFFICIAL BUSINESS  
 STATE OF TEXAS  
 PENALTY FOR PRIVATE USE

POSTAGE WILL BE PAID BY ADDRESSEE  
 PERMIT NO. 8002-801  
 78710  
 AUSTIN, TEXAS

EXHIBIT  
 A



2018- 5560



# 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 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	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.

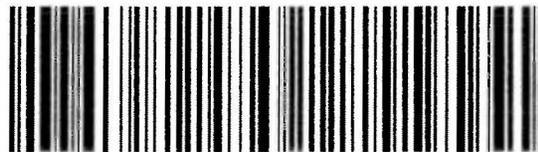
## B. USPS Action

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



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