

No. 2017-4938

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

Date: **FEB 17 2017**

Subject Considered:

SHALONDA BOONE
4728 Country Club Dr.
Midland, Texas 79703-4516

DEFAULT ORDER
SOAH DOCKET NO. 454-17-1757.C
TDI ENFORCEMENT FILE NO. 9593

General remarks and official action taken:

The commissioner of insurance considers whether disciplinary action should be taken against Shalonda Boone.

FINDINGS OF FACT

The commissioner makes the following findings of fact:

1. Shalonda Boone, individual identification number 1119293, holds a general lines agent license with a property and casualty qualification that the department issued on May 17, 2012.
2. On December 19, 2016, the department sent an amended notice of hearing to Shalonda's last known address provided in writing to the department, 4728 Country Club Dr., Midland, Texas 79703-4516, and one additional address: 700 E. 8th St., Odessa, Texas 79761-4249.
3. Shalonda failed to file a written response to the amended notice of hearing within 20 days of the date the amended notice of hearing was mailed.
4. Shalonda's mother, Nancy Boone, individual identification number 1125088, also holds a general lines agent license with a property and casualty qualification that the department issued on June 19, 2012.

5. On June 20, 2012, Shalonda purchased a Pronto Insurance Agency franchise from Pronto Franchise, LLC. Pronto Franchise, LLC operates under certain registered trademarks owned by Pronto General Agency, Ltd (collectively, Pronto Insurance).
6. On October 19, 2012, Shalonda registered Gateway Integrative Services, Inc., with the Texas Secretary of State as a foreign for-profit corporation. Shalonda and Nancy operated the franchise under Gateway Integrative Services, Inc. d/b/a Pronto FR40. Gateway Integrative Services, Inc. was not licensed as an agency by the department. In addition, Pronto FR40 was not registered as a trade style with the department.
7. Shalonda hired Nancy to be a sales associate around September 13, 2012.
8. From approximately June 2012, to March 2013, the franchise faced financial difficulties. Consequently, Nancy loaned Shalonda \$250,000 through a series of promissory notes.
9. On more than one occasion in 2013, Pronto Insurance swept Shalonda's bank account and discovered insufficient funds. As a result, from approximately January 2014, to February 2015, Pronto Insurance and Shalonda entered into a series of promissory notes that identified a payment plan for Shalonda.
10. On or about November 19, 2014, Shalonda and Nancy hired Paul Gwazdauskas to help market and solicit Pronto FR40's insurance policies and products. Gwazdauskas does not hold a license or authorization from the department.
11. Because of her continuing financial difficulties, on April 7, 2015, Shalonda named Nancy the designated principal officer of Pronto FR40. On May 13, 2015, Nancy filed a Texas Franchise Tax Public Information Report (Form 05-102) with the Texas Comptroller's Office that listed her as the designated principal. Shalonda did not notify the department of Pronto FR40's change in management.
12. By April 22, 2015, Shalonda and Nancy owed \$12,959.86 in unremitted premiums to Pronto Insurance. On April 23, 2015, Pronto Insurance terminated the franchise, Pronto FR40, and required Shalonda and Nancy to cease all operations.
13. On April 29, 2015, Pronto Insurance terminated Nancy's and Shalonda's appointment. Nancy continued to issue Pronto Insurance policies after her appointment was terminated.
14. On May 4, 2015, Shalonda filed for Chapter 13 bankruptcy.
15. In addition, Shalonda only completed 14 of the 30 required continuing education hours during the reporting period from May 17, 2012, through May 16, 2014.

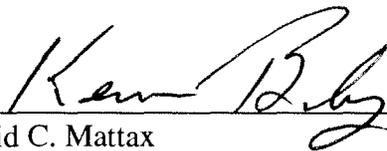
CONCLUSIONS OF LAW

The commissioner makes the following conclusions of law:

1. The commissioner has jurisdiction pursuant to TEX. INS. CODE §§ 82.051–82.056, 4001.002, 4005.101–4005.102, 4051.051, and TEX. GOV'T CODE §§ 2001.051–2001.178.
2. The commissioner has the 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. Based on 28 TEX. ADMIN. CODE § 19.906, Shalonda's last known mailing address is presumed to be 4728 Country Club Dr., Midland, Texas 79703-4516.
4. The department sent an amended notice of hearing to Shalonda'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 amended notice of hearing, set out herein as findings of fact nos. 1 and 4–15, are deemed admitted as true pursuant to 28 TEX. ADMIN. CODE § 1.89.
6. Shalonda has committed an act for which a license may be revoked under TEX. INS. CODE § 4005.101.
7. Shalonda engaged in fraudulent or dishonest acts or practices, in violation of TEX. INS. CODE § 4005.101(b)(5).
8. Shalonda misappropriated, converted to her own use, or illegally withheld money belonging to an insured, insurer, or beneficiary, in violation of TEX. INS. CODE § 4005.101(b)(4).
9. Shalonda, as the owner of Pronto FR40, failed to notify the department of her removal as manager, as required by TEX. INS. CODE § 4001.252(c)(3).
10. Shalonda permitted her unlicensed employee, Paul Gwazdauskas, to perform the acts of an agent as defined in TEX. INS. CODE § 4001.051.
11. Shalonda permitted her unlicensed employee, Paul Gwazdauskas, to solicit applications for insurance, aiding in the transaction of the business of insurance in violation of TEX. INS. CODE § 4001.101.
12. Shalonda failed to complete all required continuing education hours for the relevant renewal period, in violation of TEX. INS. CODE §§ 4004.051 (West 2005), 4004.053 (West 2009), and 4004.054.

- 13. Shalonda failed to timely report a change of address to the department in violation of 28 TEX. ADMIN. CODE § 19.906.
- 14. Shalonda failed to obtain a separate license for Gateway Integrative Services, Inc. in violation of 28 TEX. ADMIN. CODE § 19.902.
- 15. Shalonda failed to register assumed names and/or additional offices by filing with the department a completed form LDTL together with the required fee, in violation of 28 TEX. ADMIN. CODE § 19.902(c).

The commissioner of insurance revokes Shalonda Boone's general lines agent license with a property and casualty qualification.



David C. Mattax
Commissioner of Insurance

By: Kevin Brady
Delegation Order 4506

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Name and Address of Sender
 Texas Dept of Insurance
 Mail Code 110-1A
 333 Guadalupe St
 Austin TX 78701
 Ginger Yocom
 December 19, 2016

Firm Mailing Book For Accountable Mail

Check type of mail or service

Adult Signature Required
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 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

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
Amy/NOH/9593	Shalonda Boone 4728 Country Club Dr. Midland, TX 79703-4516	1.675												
Amy/NOH/9593	Shalonda Boone 5048 Edwards Mill Rd Apt. A Raleigh, NC 27612-4438	1.675												
Amy/NOH/9593	Shalonda Boone 938 N Meadow Ave Apt O Odessa, TX 79761-4249	1.675												
Amy/NOH/9593	Shalonda Boone 700 E 8th St Odessa, TX 79761-4628	1.675												
Amy/NOH/9593	Shalonda Boone 4414 Oaksong Dr. Greenville, North Carolina 27834	1.675												

and over \$50,000 in value

neopost #
12/19/2016

US POSTAGE \$001.80⁰⁰

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 Signature Confirmation
 Signature Confirmation Restricted Delivery
 Special Handling

2017-4938

Total Number of Pieces Listed by Sender: _____
 Total Number of Pieces Received at Post Office: _____
 Postmaster, Per (Name of _____)

