

No. 2017- 5112

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

Date: JUN 15 2017

Subject Considered:

YOLANDA ANN MCRAE
753 Beechwood Drive
Desoto, Texas 75115

DEFAULT ORDER
SOAH DOCKET NO. 454-17-3051.C
TDI ENFORCEMENT FILE NO. 9937

General remarks and official action taken:

This order is in consideration of whether disciplinary action should be taken against Yolanda Ann McRae.

FINDINGS OF FACT

The findings of fact are as follows:

1. Yolanda Ann McRae has held a general lines agent license with life, accident and health, and property and casualty qualifications issued by the Texas Department of Insurance since October 21, 2009.
2. On March 9, 2017, the department sent a notice of hearing to McRae's last known address provided in writing to the department, 753 Beechwood Drive, Desoto, Texas 75115.
3. McRae failed to file a written response to the notice of hearing within 20 days of the date the notice of hearing was mailed.
4. Between January 2013, and May 2015, Farmers Insurance and Foremost Insurance (a subsidiary of Farmers Group) paid McRae \$12,800.00 in commissions for policies for which she did not submit any premium payments.
5. In May of 2015, Farmers initiated an audit of McRae's book of business because of a large number of homeowner's policy cancellations.
 - a. A review revealed that 27 policies initiated by McRae cancelled for nonpayment of premium and 20 of those policies involved the same six policyholders.

- b. Seven of the 27 policies initiated by McRae were written to insure a residence where McRae lived with her father.
 - c. Those seven policies are in collections for failure to pay premiums in the amount of \$5,048.00.
6. From June 2013, to March 2015, McRae allowed her father and an employee at her Farmers Insurance agency to initiate at least eight insurance policies—six policies with Farmers and two with Foremost. Neither McRae's father nor the employee held a license issued by the department.
 7. On July 15, 2015, Farmers canceled McRae's appointment.
 8. The department sent McRae a request for information pursuant to TEX. INS. CODE § 38.001 on December 4, 2015. She failed to respond to the department's request no later than the 15th day after receiving the request.

CONCLUSIONS OF LAW

The conclusions of law are as follows:

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, 4051.051, 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, McRae's last known address is presumed to be 753 Beechwood Drive, Desoto, Texas 75115.
4. TDI sent a notice of hearing to McRae'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 4-8, are deemed admitted as true pursuant to 28 TEX. ADMIN. CODE § 1.89.
6. McRae misappropriated, converted to her 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. McRae engaged in fraudulent or dishonest acts or practices, in violation of TEX. INS. CODE § 4005.101(b)(5).
8. McRae failed to respond to a department inquiry in writing not later than the 15th day after the date it was received, in violation of TEX. INS. CODE § 38.001.

2017- 5112

COMMISSIONER'S ORDER

Yolanda Ann McRae

Page 3 of 4

9. McRae allowed unlicensed individuals to conduct the business of insurance, in violation of TEX. INS. CODE §§ 101.102, 4001.101, 4051.051, and 4054.051.

It is ordered that Yolanda Ann McRae's general lines agent license with life, accident and health, and property and casualty qualifications is revoked.



Kevin Brady

Deputy Commissioner For Agency Affairs

Texas Department of Insurance

Delegation Order 4506

Affidavit

STATE OF TEXAS

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COUNTY OF TRAVIS

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

“My name is Judy Lopez 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 Yolanda Ann McRae. I have confirmed that:

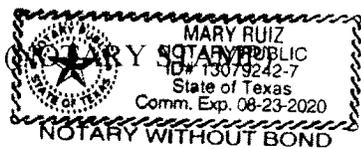
- 9. The last mailing address provided to the department by Yolanda Ann McRae in writing is 753 Beechwood Drive, Desoto, Texas 75115.
 - a. The file maintained by the Enforcement Section of the Legal and Enforcement Division contains a notice of hearing dated March 9, 2017, filed with the State Office of Administrative Hearings.
 - b. Certified letters, return receipts requested, and first class mailings containing a notice of hearing, were sent to McRae’s last known address.

Copies of the certified mail logs maintained by the Enforcement Section are attached as Exhibit A.

Copies of the first class mail logs maintained by the Enforcement Section are attached as Exhibit B.”

Judy Lopez
Affiant

SWORN TO AND SUBSCRIBED before me on June 8, 2017.



[Signature]
Signature of Notary Public

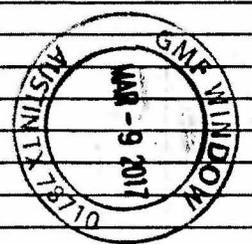
Name and Address of Sender
 Texas Dept of Insurance
 Mail Code 110-1A
 333 Guadalupe St
 Austin TX 78701
 March 9, 2017
 Judy Lopez

2

- Check type of mail or service
- Adult Signature Required
 - Adult Signature Restricted Delivery
 - Certified Mail
 - 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	(EMS 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	
Seldon McKay 7014 2120 0002 6569 0182	Yolanda Ann McRae 753 Beechwood Drive DeSoto, Texas 75115	.670	3.35								2.75				
Case #9937 - Notice of Hearing Seldon McKay 7014 2120 0002 6569 0199	Yolanda Ann McRae 8413 Watson Drive Rowlett, Texas 75089	.670	3.35	Handling Charge-if Registered and over \$50,000 in value							2.75				
Case #9937 - Notice of Hearing Seldon McKay 7014 2120 0002 6569 0205	Yolanda Ann McRae 2301 Forest Lane, Suite 102 Garland, Texas 75042	.670	3.35									2.75			
Case #9937 - Notice of Hearing															
								Adult Signature Required	Adult Signature Restricted Delivery	Restricted Delivery	Return Receipt	Signature Confirmation	Signature Confirmation Restricted Delivery	Special Handling	



2017-5112

Name and Address of Sender
 Texas Dept of Insurance
 Mail Code 110-1A
 333 Guadalupe St
 Austin TX 78701
 March 9, 2017
 Judy Lopez

2

- 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

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	(EBSR Service) Fee	Handling Charge	Actual Value if Registered	Insured Value	Due Sender if COD	ASR Fee	ASRD Fee	RD Fee	RR Fee	SC Fee	BCRD Fee	SH Fee
Seldon McKay	Yolanda Ann McRae 753 Beechwood Drive DeSoto, Texas 75115	.6												
McKay	Yolanda Ann McRae 8413 Watson Drive Rowlett, Texas 75089	.6												
Seldon McKay	Yolanda Ann McRae 2301 Forest Lane, Suite 102 Garland, Texas 75042	.2												

over \$50,000 in value

neopost # 03/09/2017



\$001.17

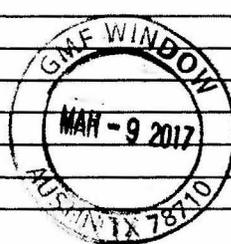
ZIP 78701
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OFFICIAL BUSINESS
 STATE OF TEXAS
 PENALTY FOR PRIVATE USE

Handling Ch.

Adult Signature Rec.
 Adult Signature Restricted Del.
 Restricted Delivery
 Return Receipt
 Signature Confirmation
 Signature Confirmation Restricted Delivery
 Special Handling



2017-5112