

No. 2017- 5310

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

Date: DEC 07 2017

Subject Considered:

SHAILA GRANDE
505 N Robinson Dr
Robinson, Texas 76706

DEFAULT ORDER
DOCKET NO. 454-17-5914.C
TDI CASE NO. 10894

General remarks and official action taken:

The commissioner of insurance considers whether disciplinary action should be taken against Shaila Grande.

FINDINGS OF FACT

1. Shaila Grande, individual identification number 712239, holds a general lines agent license with a life, accident, and health qualification that the department issued on March 21, 2011. Grande also holds a personal lines property and casualty agent license that the department issued on February 24, 2015.
2. On August 31, 2017, the department sent a notice of hearing to Grande's last known address provided in writing to the department: 505 N Robinson Dr, Robinson, Texas 76706, and two additional addresses: 705 Houston St., Waco, Texas 76704, and 1023 Victoria St., Waco, Texas 76705.
3. Grande failed to file a written response to the notice of hearing within 20 days of the date the notice of hearing was mailed.

Background

4. Shaila Grande worked as a customer service representative for David Dickerson, a Farmers Insurance agent. Grande was appointed under an Agency Customer Service Representative Agreement.

5. Grande's primary duties were answering phones, receipting customer payments, marketing, and submitting new business policies.
6. Grande also worked at Reliable Life Insurance and entered into an agent agreement with the company on January 2, 2011.

Misappropriation/Conversion

7. During her time at Reliable, Reliable audited Grande's business activities after receiving multiple complaints about her.
8. Reliable discovered that from 2012, to 2013, Grande converted \$5,664.78 in premiums by pocketing premium payments from insureds. The insureds received notices of cancellation for policies for which they had paid the premiums and contacted Reliable before the policies canceled. After discovering the premium conversion, Reliable terminated Grande's appointment on July 5, 2013.
9. Grande did not return any of the converted premium funds. Although Reliable recovered \$2,504.05 through application of Grande's bond, she still owes \$3,160.73 to Reliable. No policies canceled as Reliable was notified of the conversion before the cancellation dates.
10. In addition, from January 13, 2015, to September 29, 2015, Grande converted premium payments totaling \$11,274 from Farmers through Dickerson's agency.
11. Dickerson discovered that Grande was collecting premium payments from multiple customers, voiding the transactions, and then pocketing the funds. Dickerson discovered Grande's theft through a customer who contacted him about a notice of cancellation due to nonpayment of premium he had received from Farmers.
12. When Dickerson confronted Grande about the missing premiums, she admitted to voiding and pocketing at least four premium payments. She said she had fallen on hard times and needed the money.
13. Dickerson terminated Grande's appointment, effective October 1, 2015. Dickerson then reported Grande's theft to Farmers.
14. Dickerson discovered, and Farmers confirmed, that Grande receipted 60 cash premium payments where she then voided the receipts and applied a partial payment to the insured's

account or no payment at all. Grande completed each of these voided transactions using her assigned user ID.

15. Farmers Insurance was able to recover \$6,584 from Grande. The remaining \$4,690 was recovered through a fidelity bond. No policies canceled as the premium amounts were credited toward the policies.

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, 4051.401, and 4054.051, 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, Grande's last known address is presumed to be 505 N Robinson Dr, Robinson, Texas 76706.
4. The department sent a notice of hearing to Grande'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, and two additional addresses: 705 Houston St., Waco, Texas 76704, and 1023 Victoria St., Waco, Texas 76705.
5. The allegations in the 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. Grande has committed acts for which a license holder may be disciplined under TEX. INS. CODE § 4005.101, as contemplated by TEX. INS. CODE § 4005.102.
7. Grande has willfully violated an insurance law of this state, pursuant to TEX. INS. CODE § 4005.101(b)(1).
8. Grande 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. Grande engaged in fraudulent or dishonest acts or practices, in violation of TEX. INS. CODE § 4005.101(b)(5).

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COMMISSIONER'S ORDER

Shaila Grande

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The commissioner of insurance revokes Shaila Grande's general lines agent license with a life, accident, and health qualification, and personal lines property and casualty agent license.



Kent C. Sullivan
Commissioner of Insurance

