

No. 2019-6144

**Official Order
of the
Texas Commissioner of Insurance**

Date: NOV 14 2019

Subject Considered:

Lighthouse Insurance Services LLC
9381 Forestwood Lane
Manassas, Virginia 20110

Consent Order
TDI Enforcement File No. 17820

General remarks and official action taken:

The subject of this order is whether disciplinary action should be taken against Lighthouse Insurance Services LLC (Lighthouse). Lighthouse engaged in the business of insurance in Texas without an agency license for approximately nine years, but obtained a license on May 5, 2018.

Waiver

Lighthouse acknowledges that the Texas Insurance Code and other applicable law provide certain rights. Lighthouse waives all of these rights, and any other applicable procedural rights, in consideration of the entry of this consent order.

Findings of Fact

1. Lighthouse, organization identification no. 139970, holds a non-resident general lines agency license with a property and casualty qualification issued by the Texas Department of Insurance on May 5, 2018.
2. Prior to that date, Lighthouse did not hold a license issued by the Texas Department of Insurance authorizing it to perform the business of insurance in Texas. However, Lighthouse's managing partner and part owner, Dana Loan, has held an individual agent license in Texas since 2007.
3. On September 1, 2009, Lighthouse entered into a producer agreement with PRO

Insurance Services Inc. (PRO). PRO held a Texas agency license at that time.¹ PRO's assets, including the producer agreement, were purchased on December 15, 2011 by SWBC Insurance Services, Inc. (SWBC), a Texas licensed agency.

4. Under the producer agreement with PRO, Lighthouse provided insurance services to members of IG, Inc. dba RSIG (RSIG), a risk purchasing group. Those services included insurance services for RSIG members located in Texas. Those services constituted engaging in the business of insurance in Texas.
5. Despite the individual licensure of Dana Loan, Lighthouse engaged in the business of insurance in Texas without an agency license, from September 1, 2009 through May 5, 2018.
6. Lighthouse received commissions from SWBC for these insurance services. From 2013 to 2018, Lighthouse received approximately \$400,000 in commissions from SWBC for insurance sold to Texas residents.
7. There are no known consumer complaints related to Lighthouse not having a license and there is no evidence of consumer harm.

Conclusions of Law

1. The commissioner has jurisdiction over this matter pursuant to TEX. INS. CODE §§ 82.051 – 82.055, 84.021 – 84.044, 101.103, 4005.101 – 4005.102, and ch. 4051, and TEX. GOV'T CODE §§ 2001.051 – 2001.178.
2. The commissioner has the authority to informally dispose of this matter as set forth in TEX. GOV'T CODE § 2001.056, TEX. INS. CODE §§ 36.104 and 82.055, and 28 TEX. ADMIN. CODE § 1.47.
3. Lighthouse has knowingly and voluntarily waived all procedural rights to which it may have been entitled regarding the entry of this order, including, but not limited to, issuance and service of notice of intention to institute disciplinary action, notice of hearing, a public hearing, a proposal for decision, rehearing by the commissioner, and judicial review.

¹ PRO's license expired due to a failure to renew on January 17, 2014, after SWBC purchased it.

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4. Pursuant to TEX. INS. CODE § 4005.101(b)(1), TDI may discipline Lighthouse because it has willfully violated an insurance law of this state.
5. Lighthouse performed the acts of an agent without first obtaining the required license, in violation of TEX. INS. CODE §§ 101.102, 4001.101, and 4051.051.
6. Lighthouse received commissions for insurance services when it was unlicensed, in violation of TEX. INS. CODE § 4005.053(a).

Order

It is ordered that Lighthouse Insurance Services LLC must pay an administrative penalty of \$10,000.00 within 30 days from the date of this order. The penalty must be paid by cashier's check or money order made payable to the "State of Texas" and transmitted to the Texas Department of Insurance, Attn: Enforcement Division 60851, MC 9999, P.O. Box 149104, Austin, Texas 78714-9104.

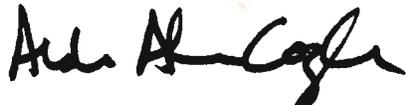
Kent C. Sullivan
Commissioner of Insurance

By: _____


Doug Slape
Chief Deputy Commissioner
Commissioner's Order No. 2018-5528

Recommended and reviewed by:


Leah Gillum, Deputy Commissioner
Enforcement Division


Amanda Atkinson Cagle, Staff Attorney
Enforcement Division

Affidavit

THE STATE OF Virginia §

§

COUNTY OF Prince William/
Manassas City §

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

"My name is Dana Loan. I am of sound mind, capable of making this statement, and have personal knowledge of these facts which are true and correct.

I hold the office of Managing Member and am the authorized representative of Lighthouse Insurance Services LLC. I am duly authorized by the organization to execute this statement.

Lighthouse Insurance Services LLC has knowingly and voluntarily entered into the foregoing consent order and agrees with and consents to the issuance and service of the same by the commissioner of insurance of the state of Texas."

Dana Loan
Affiant

SWORN TO AND SUBSCRIBED before me on August 5, 2019.



Edward Lee Marcum
Signature of Notary Public