

No. **2024-8841**

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

**Date: 09/20/2024**

**Subject Considered:**

Scottish American Insurance General Agency, Inc.  
8271 McDermott W Ste. D  
Irvine, California 92614-6754

Consent Order  
TDI Enforcement File No. 35273

**General remarks and official action taken:**

This is a consent order with Scottish American Insurance General Agency, Inc. (Scottish American). Scottish American failed to timely file surplus lines policies and related documents. Scottish American has agreed to pay an administrative penalty of \$21,150 for these violations.

**Waiver**

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

**Findings of Fact**

1. Scottish American, license number 1818347, holds a surplus lines license issued by the Texas Department of Insurance.
2. Pursuant to TEX. INS. CODE § 981.105(a), a surplus lines insurance agent must file with the Surplus Lines Stamping Office of Texas either:
  - a. a copy of the policy issued or

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- b. if the policy has not yet been issued, a copy of the certificate, cover note, or other confirmation of insurance delivered to the insured.

This information is due not later than the 60th day after the later of the effective date or the issue date of new or renewal surplus lines insurance.

3. In 2023, Scottish American filed surplus lines policies and related documents late.
4. In March 2024, TDI assessed fees against Scottish American because the late-filed surplus lines policies met at least one of the conditions in TEX. INS. CODE § 981.105(d-e).
5. Scottish American did not timely pay the fees assessed pursuant to TEX. INS. CODE § 981.105(c-e).

## Conclusions of Law

1. The commissioner of insurance has jurisdiction over this matter pursuant to TEX. INS. CODE §§ 82.051-82.055, 84.021-84.044, and 981.105.
2. The commissioner of insurance has authority to informally dispose of this matter under TEX. INS. CODE § 82.055, TEX. GOV'T CODE § 2001.056, and 28 TEX. ADMIN. CODE § 1.47.
3. Scottish American 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.
4. Scottish American violated TEX. INS. CODE § 981.105(a) by failing to timely file new or renewal surplus lines policies and related documents.

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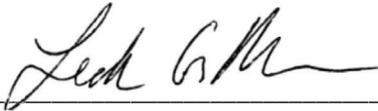
## Order

It is ordered that Scottish American Insurance General Agency, Inc. must pay an administrative penalty of \$21,150 within 30 days from the date of this order. The administrative penalty must be paid as instructed in the invoice, which the department will send after entry of this order.

Signed by:  
  
FC5D7EDDFFBB4F8...

Cassie Brown  
Commissioner of Insurance

Recommended and reviewed by:



Leah Gillum, Deputy Commissioner  
Fraud and Enforcement Division



Casey Dick, Attorney  
Enforcement

**Affidavit**

THE STATE OF Texas §

COUNTY OF Tarrant §

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

"My name is Charles Clague. 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 Head of Accounting and am the authorized representative of Scottish American Insurance General Agency, Inc. I am duly authorized by the organization to execute this statement.

Scottish American Insurance General Agency, Inc. 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."

Charles Clague  
Affiant

SWORN TO AND SUBSCRIBED before me on August 14, 2024.

(NOTARY SEAL)

Stephenie Birmingham  
Signature of Notary Public

Stephenie Birmingham  
Printed Name of Notary Public

