

No. 2026-9876

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

**Date:** 04/08/2026

**Subject Considered:**

Hector Arellano Jr.  
Houston, Texas

Default Order  
TDI Enforcement File No. 34780

**General remarks and official action taken:**

This is a default order taken against Hector Arellano Jr. (Respondent) because he engaged in the acts of an agent and the business of insurance without holding a license or other authorization. Respondent did not respond to a Notice of Allegations mailed by TDI. This order mandates Respondent to cease and desist from performing the acts of an agent or engaging in the business of insurance in or from Texas.

The following findings of fact and conclusions of law are adopted:

**Findings of Fact**

Failure to Respond to Notice of Allegations

1. On March 3, 2026, the department sent a Notice of Allegations, attached as Exhibit A, to Respondent.
2. The department sent the Notice of Allegations to Respondent's last known address provided in license application number 2750057: [REDACTED], Houston, TX 77038. The department also sent the Notice of Allegations to an electronic mail address that the Respondent previously designated for receipt of official communications in license application number 2018892.

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Hector Arellano Jr.

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3. Respondent received and waived an opportunity for a hearing because Respondent failed to send the department a written response to the Notice of Allegations within 20 days after the date the Notice of Allegations was mailed.
4. The department's factual allegations set out in the attached Notice of Allegations are incorporated in this order as findings of fact.

## Conclusions of Law

1. The commissioner of insurance has jurisdiction over this matter under TEX. INS. CODE §§ 82.051–82.055, 101.001 *et seq.*, 4001.002, 4001.051, 4001.001, 4001.201; and TEX. GOV'T CODE §§ 2001.003(1) and 2001.051–2001.178.
2. The commissioner has authority to dispose of this case informally under TEX. GOV'T CODE § 2001.056; TEX. INS. CODE § 82.055; and 28 TEX. ADMIN. CODE § 1.47.
3. The department provided proper notice to Respondent under TEX. GOV'T CODE §§ 2001.003(1), 2001.051, 2001.052, 2001.054, and 2001.056(4), and 28 TEX. ADMIN. CODE §§ 1.1302, 1.28, 1.47, and 19.906.
4. Based on Respondent's failure to send the department a written response to the Notice of Allegations, the department is entitled to disposition by default under 28 TEX. ADMIN. CODE § 1.47.
5. Respondent failed to show compliance with the law.
6. The department's factual and legal allegations set out in the attached Notice of Allegations are incorporated in this order and deemed admitted as true under 28 TEX. ADMIN. CODE § 1.47.

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## Order

It is ordered that Hector Arellano Jr. cease and desist from performing the acts of an agent or engaging in the business of insurance in or from Texas. A copy of this order will be provided to law enforcement or other appropriate administrative agencies for further investigation as may be warranted.

Signed by:

*Amanda Crawford*

FE10434BC41A470...

Amanda Crawford

Commissioner of Insurance

Prepared and reviewed by:

*CS/ Casey Dick*

Casey Dick, Staff Attorney

Enforcement

**Affidavit**

**STATE OF TEXAS** §

§

**COUNTY OF TRAVIS** §

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

"My name is Mary Ruiz 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 Hector Arellano Jr. I have confirmed that:

- a. The last mailing address provided to the department in writing by Hector Arellano Jr. is [REDACTED] Houston, TX 77038.
- b. The file maintained by Enforcement contains a Notice of Allegations dated March 3, 2026, which was sent to Hector Arellano Jr.
- c. On March 3, 2026, the Notice of Allegations addressed to Hector Arellano Jr. was mailed first-class and certified, return receipt requested, to his last known address.

Copies of the first-class mail log and certified mail log maintained by Enforcement are attached as Exhibit B and Exhibit C, respectively."

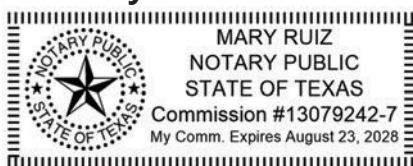
Signed by:

*Jackie Gonzales*

Affiant  
FF113CA62215B7442...

SWORN TO AND SUBSCRIBED before me by means of an interactive two-way audio and video communication on 3/30/2026. This notarial act was an online notarization.

**Notary Seal**



**Digital Certificate**

Signed by:

*Mary Ruiz*

7950C4D59167489  
Notary Public State of Texas

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PO Box 12030 | Austin, TX 78711 | 800-578-4677 | tdi.texas.gov

March 3, 2026

Hector Arellano Jr.



Houston, TX 77038

Via CM/RRR No. 9214 8901 9403 8359 7381 44

Via First Class Mail

Via Email:



**TDI ENFORCEMENT CASE NO. 34780  
NOTICE OF ALLEGATIONS AGAINST HECTOR ARELLANO JR.**

The Texas Department of Insurance (TDI) seeks to take disciplinary action against you. This Notice states the allegations against you and the relief sought by TDI.

***YOUR WRITTEN RESPONSE IS REQUIRED WITHIN 20 DAYS***

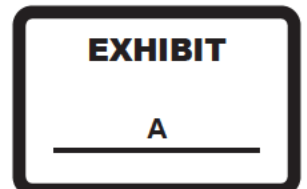
**YOU HAVE THE RIGHT TO A HEARING AND ARE INVITED TO SHOW COMPLIANCE WITH THE LAW.** To request a hearing, you must send a written response to TDI within 20 days of the date this Notice was mailed.

If you fail to send a written response by the deadline, *you waive your right to a hearing*, and TDI may seek disposition by default under 28 TEX. ADMIN. CODE § 1.47, TEX. INS. CODE § 82.055, and TEX. GOV'T. CODE § 2001.056.

If you fail to send a written response by the deadline, without further notice to you, the commissioner of insurance may issue a default order that admits the factual matters asserted, deems all allegations as true, and orders the relief recommended in this Notice.

You must send your written response by mail, fax, or email to:

Casey Dick, Staff Attorney  
Texas Department of Insurance  
Enforcement, MC ENF  
P.O. Box 12030  
Austin, Texas 78711-2030  
(512) 490-1020 (Fax)  
casey.dick@tdi.texas.gov



## Jurisdiction

The commissioner of insurance has jurisdiction over this matter under TEX. INS. CODE §§ 82.051–82.055, 101.001 *et seq.*, 4001.002, 4001.051, 4001.101, 4001.201; and TEX. GOV'T CODE §§ 2001.003(1) and 2001.051-2001.178.

## Factual Allegations

### 2015 License Revocation

1. Hector Arellano Jr., individual identification number 738891, previously held two licenses issued by TDI, specifically:
  - a. a limited lines agent license from May 30, 2007, until it expired on May 30, 2011, due to a failure to renew; and,
  - b. a general lines agent license with a property and casualty qualification from May 5, 2011, until January 12, 2015, when it was revoked by the commissioner of insurance in Official Order No. 3775.
2. In Official Order No. 3775, the commissioner revoked Arellano's general lines license with a property and casualty qualification after finding and concluding that he:
  - a. sold life insurance without a general life, accident, and health insurance license, in violation of TEX. INS. CODE § 4054.051(3);
  - b. engaged in fraudulent and dishonest acts or practices by submitting specimens of his own saliva in place of the applicants' saliva in conjunction with approximately 30 applications for life insurance, and submitted falsified home security certificates to indicate homeowners insurance applicants had security systems at their homes when they did not, in violation of TEX. INS. CODE § 4005.101(b)(2) and (5); and
  - c. failed to complete the required number of continuing education hours to maintain his license, in violation of TEX. INS. CODE §§ 4004.051, 4004.053, and 4004.054.

### 2020 License Denial

3. On March 3, 2020, Arellano applied to TDI for a new general lines license with a property and casualty qualification in application ID number 2018892. TDI

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proposed to deny that application due to the findings of Official Order No. 3775.

4. On October 28, 2020, the commissioner of insurance entered Official Order 2020-6536 denying Arellano's license application after he failed to respond to a notice of hearing.

### Withdrawn Application

5. Under TEX. INS. CODE § 4005.105(b)(1), Arellano was statutorily barred from applying for an agent license before the fifth anniversary of the effective date of that license denial, i.e. October 28, 2025.
6. On August 30, 2022, Arrellano attempted to apply to TDI for a general lines license with a property and casualty qualification in application ID number 2750057.
7. Because he was statutorily barred at that time, on September 1, 2022, TDI notified Arrellano he was ineligible to apply for the license and marked the application as withdrawn.

### Unauthorized Agent Acts

8. Prior to his license revocation in 2015, TDI records show Arrellano was appointed with seven Allstate affiliated insurers ("Allstate"). Those appointments were canceled when his license was revoked.
9. Between December 14, 2023, and February 20, 2024, Arellano was employed by Ruben Acosta (Acosta), individual identification number 2573115, to perform administrative work which did not require licensure. In that role, Acosta did not authorize Arellano to perform the acts of an agent, such as soliciting insurance sales, developing or quoting premiums, or collecting premiums.
10. In May 2024, TDI received a complaint from a Texas resident, L.T., alleging that she paid Arellano \$160 through his Zelle account "[REDACTED]" for the issuance of two personal automobile insurance policies.
11. Allstate records show that a six-month policy for L.T. ending in \*\*\*\*\*824 was bound on February 22, 2024, using bind ID STX5RXL6, a unique Allstate

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identifier associated solely with Acosta, where Arellano had been employed. However, this policy was terminated the same day because the method used to pay the premium lacked sufficient funds.

12. On March 6, 2024, L.T. was involved in an automobile accident. Arellano informed L.T. that he would set up the claim on L.T.'s behalf.
13. From March 11 through May 15, 2024, Arellano was then employed by Carlos Del Villar (Villar), individual identification number 1771993, to perform administrative work which did not require licensure, similar to the role he held with Acosta.
14. On March 26, 2024, Arellano, while working for Villar, bound a six-month Allstate policy ending in \*\*\*\*\*362 for L.T. effective March 27, 2024, using bind ID STX50OS0, a unique Allstate identifier associated solely with Villar.
15. On April 10, 2024, after that policy was bound, Arellano submitted a claim to Allstate on L.T.'s behalf and falsely stated that the March 6, 2024, loss occurred on April 9, 2024, in order to obtain coverage.
16. On April 23, 2024, Allstate communicated with L.T. who informed Allstate of the truth - that the accident occurred on March 6, 2024.
17. Allstate denied L.T. coverage for the March 6, 2024, loss because no valid policy was in place, and informed L.T. of the denial by mail on April 30, 2024, and by telephone on May 1, 2024.
18. L.T. then complained to Allstate that Arellano failed to timely remit her premiums, attempted to manipulate the date of her loss to obtain coverage, and represented that the policy was valid.
19. Allstate further investigated and determined that Arellano misrepresented the status of the second policy to L.T. and submitted false claim information to Allstate to conceal his failure to timely remit premiums and provide L.T. with coverage when, unbeknownst to L.T., none was available. Allstate then reversed their initial denial and covered L.T.'s March 6, 2024, loss.

**Legal Allegations**

1. Arellano has engaged in the acts of an agent and the business of insurance, as those acts are defined in TEX. INS. CODE §§ 101.051, 4001.003(1), and 4001.051, without holding a license or other authorization, in violation of TEX. INS. CODE §§ 101.102 and 4001.101.
2. Arellano is not exempt or excepted from holding an insurance license in Texas.
3. The commissioner of insurance has authority to enter a cease-and-desist order against Arellano, and to impose any other necessary relief to prevent Arellano from engaging in further acts of an agent or the business of insurance, pursuant to TEX. INS. CODE §§ 82.002(b)(2)(A) and (C), 82.003, 82.052, 101.103, 101.105, and 101.155.

**Relief Sought**

TDI seeks the following relief:

1. an order mandating you cease and desist from performing the acts of an agent or engaging in the business of insurance in or from Texas; and,
2. imposition of any other just and appropriate relief to which the department may be entitled to by law, including any combination of the above actions.

Respectfully,

  
\_\_\_\_\_

Casey Dick  
State Bar No. 24132039  
Texas Department of Insurance  
Enforcement, MC ENF  
P.O. Box 12030  
Austin, Texas 78711-2030  
(512) 676-6328 (Direct)  
(512) 490-1020 (Fax)  
casey.dick@tdi.texas.gov

cc: Leah Gillum, Deputy Commissioner, Fraud and Enforcement Division, MC: ENF  
Rachel Cloyd, Litigation Director, Enforcement, MC: ENF

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**CERTIFICATE OF SERVICE**

I, Casey Dick, certify that a true and correct copy of this *Notice of Allegations Against Hector Arellano Jr.* was sent by the following methods on this 3rd day of March, 2026 to:

Hector Arellano Jr.



Houston, TX 77038

Via CM/RRR No.9214 8901 9403 8359 7381 44

Via First Class Mail

Via Email:



*CS/ Casey Dick*

Casey Dick

2026-9876

Postmaster: Per (Name of Marketing employee)  
Per Number of Pieces  
Indicated by Sender



Postmaster: Per (Name of Marketing employee)



4

Handling Charge-if Registered and

Adult Signature Required

Adult Signature Restricted Delivery

Restricted Delivery

Return Receipt

Signature Confirmation

Signature Confirmation Restricted Delivery

Special Handling



US POSTAGE  
\$002.40

RD Fee  
RR Fee  
SC Fee  
Fee

**EXHIBIT**  
**B**

2026-9876

# Shipment Confirmation Acceptance Notice



## A. Mailer Action

**Note to Mailer:** The labels and volume associated to this form online, **must** match the labeled packages being presented to the USPS® employee with this form.

Shipment Date: 03/03/2026

Shipped From:

Name: ENF J GONZALES

Address: 1601 CONGRESS AVE

City: AUSTIN

State: TX ZIP+4® 78701

Type of Mail	Volume
Priority Mail Express®	
Priority Mail®	
First-Class Package Service®	
Returns	
International*	
Other	1
Total	1

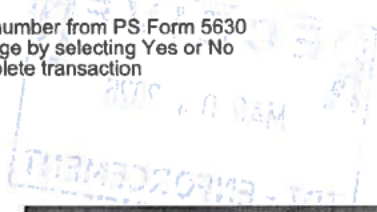
\*Start time for products with service guarantees will begin when mail arrives at the local Post Office™ and items receive individual processing and acceptance scans.

## B. USPS Action

Note to RSS Clerk:

1. Home screen > Mailing/Shipping > More
2. Select Shipment Confirm
3. Scan or enter the barcode/label number from PS Form 5630
4. Confirm the volume count message by selecting Yes or No
5. Select Pay and End Visit to complete transaction

USPS EMPLOYEE: Please scan upon pickup or receipt of mail.  
Leave form with customer or in customer's mail receptacle.



USPS SCAN AT ACCEPTANCE



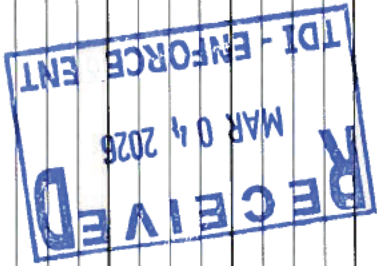
9275 0901 1935 6200 0068 7005 38

CASEY/34780



**EXHIBIT**

        
C



- 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

Addressee (Name, Street, City, State, & ZIP Code™)

1. HECTOR ARELLANO JR.  
 [REDACTED]  
 HOUSTON, TX 77038

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
1.03									2.82			

Handling Charge - if Registered and over \$50,000 in value

Adult Signature Required

Adult Signature Restricted Delivery

Restricted Delivery

Return Receipt

Signature Confirmation

Signature Confirmation Restricted Delivery

Special Handling

Total Number of Pieces Received at Post Office

Postmaster, Per (Name of retaining employee)

*[Signature]*  
 Cognit