

No. **2022-7693**

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

Date: 12/19/2022

Subject Considered:

Frost Insurance Agency, Inc.
111 W Houston St
San Antonio, TX 78205-2247

Consent Order
TDI Enforcement File No. 30630

General remarks and official action taken:

This is a consent order with Frost Insurance Agency, Inc. (Frost). Frost failed to timely file surplus lines policies and related documents. Frost has agreed to pay an administrative penalty of \$6,000 for these violations.

Waiver

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

Findings of Fact

1. Frost, organization/individual identification number 1937994, 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
 - 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.

2022-7693

Commissioner's Order
Frost Insurance Agency, Inc.
Page 2 of 4

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 2021, Frost filed surplus lines policies late. Frost represents it implemented a new system that revealed prior programming errors resulting in late filed policies.
4. Frost represents it conducted a self-audit to determine if there were other filing errors. Following the audit, Frost represents it reported and filed all discovered policies and paid applicable filing fees and premium taxes.
5. Frost represents it has made efforts to prevent the violation from occurring again by establishing a periodic audit procedure.
6. The commissioner previously disciplined Frost Insurance Agency, Inc. for violating TEX. INS. CODE § 981.105(a) in Official Order No. 10-0964 and Official Order No. 4502.

Conclusions of Law

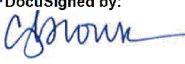
1. The commissioner of insurance has jurisdiction over this matter pursuant to TEX. INS. CODE §§ 82.051-82.055, 84.021-84.044, and 981.105.
2. The commissioner of insurance has authority to informally dispose of this matter under TEX. INS. CODE § 82.055, TEX. GOV'T CODE § 2001.056, and 28 TEX. ADMIN.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

Order

It is ordered that Frost Insurance Agency, Inc. must pay an administrative penalty of \$6,000 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.

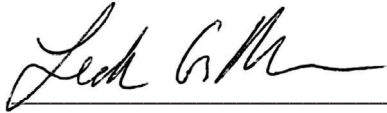
2022-7693

Commissioner's Order
Frost Insurance Agency, Inc.
Page 3 of 4

DocuSigned by:

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Cassie Brown
Commissioner of Insurance

Recommended and reviewed by:



Leah Gillum, Deputy Commissioner
Fraud and Enforcement Division



Mandy Meesey, Associate Commissioner
Enforcement

