

No. **4400**

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

Date: APR 08 2016

Subject Considered:

ROBERT LYNDALL MCDORMAN
170 West Tram Road
Vidor, TX 77662

CONSENT ORDER
TDI ENFORCEMENT FILE NO. 9633

General remarks and official action taken:

The commissioner of insurance considers whether a public insurance adjuster license should be issued to Robert Lyndall McDorman of Vidor, Texas.

WAIVER

McDorman acknowledges that the Texas Insurance Code and other applicable laws provide certain rights. McDorman waives all of these rights in consideration of the entry of this consent order.

FINDINGS OF FACT

The commissioner makes the following findings of fact:

1. On April 14, 2015, McDorman submitted an application for an adjuster license to be issued by the Texas Department of Insurance. The department proposed to deny issuance of the license based on his criminal history, and McDorman made a written request for a hearing.
2. On February 29, 2016, McDorman submitted an application for a public insurance adjuster license to be issued by the Texas Department of Insurance. McDorman withdrew his previous application for an adjuster license and indicated he wanted to proceed on his application for a public insurance adjuster license.
3. On August 20, 2004, McDorman was convicted of bank fraud, a federal felony. The offense occurred from September 2001, and continued through March 2002. McDorman was sentenced to 33 months in federal prison followed by five years of supervised release

probation and was ordered to pay \$3,724,256.21 in restitution. The restitution included \$350,000 that was subject to criminal prosecution and \$3,374,256.21 that was not subject to criminal prosecution. McDorman successfully completed his term of supervised release and was discharged from supervision on March 22, 2012.

4. McDorman has cooperated with TDI in its investigation of his criminal background. McDorman provided mitigating evidence to support his fitness for licensure as follows:
 - a. he has paid back the restitution subject to criminal prosecution;
 - b. he has been employed since 2009 as the general manager of Martin Motors, a two-location, pre-owned automobile dealer, where he is responsible for millions of dollars in revenue, sales, purchases, and expenses;
 - c. he is enrolled as a student at Northwood University to obtain a bachelor of business administration degree;
 - d. he has completed 25 hours of continuing education since his original application for licensure;
 - e. he has submitted nine letters of recommendation, including letters from a sitting district court judge, a former district court judge, a former FBI agent with 28 years of professional experience, and other well-respected members of the community who are aware of his past conduct and consistently refer to him as honest, hardworking, and loyal; and
 - f. he has accepted responsibility and expressed remorse for his criminal conduct.
5. Due to McDorman's criminal background, the department needs an opportunity to monitor his insurance activities to ensure he demonstrates the ability, capability, and fitness required to perform and discharge the responsibilities of a licensed public insurance adjuster.

CONCLUSIONS OF LAW

The commissioner makes the following conclusions of law:

1. The commissioner has jurisdiction over this matter pursuant to TEX. INS. CODE §§ 82.051-82.055, 4102.051-4102.053, 4102.201-4102.208; TEX. GOV'T CODE §§ 2001.051-2001.178; 28 TEX. ADMIN. CODE § 1.502; and TEX. OCC. CODE §§ 53.021-53.023.
2. The commissioner has the authority to dispose of this case informally pursuant to the provisions of TEX. GOV'T CODE § 2001.056, 28 TEX. ADMIN. CODE § 1.47, and TEX. INS. CODE § 82.055.
3. McDorman committed an act for which the department may deny a license under TEX. INS. CODE § 4102.201.

4. Pursuant to 28 TEX. ADMIN. CODE § 1.502(f), the commissioner has determined that the factors in TEX. OCC. CODE §§ 53.022-53.023 outweigh the serious nature of McDorman's criminal conviction.
5. The commissioner is an insurance regulatory official authorized to regulate McDorman's activities in the business of insurance. The commissioner has primary jurisdiction to grant McDorman written consent to engage or participate in the business of insurance, pursuant to 18 U.S.C. § 1033.

The commissioner of insurance orders that a public insurance adjuster license is granted to Robert Lyndall McDorman of Vidor, Texas. The commissioner further orders that the public insurance adjuster license is suspended for two years, probated.

During McDorman's probated suspension, he must:

- a. be restricted to adjusting claims on behalf of insureds for personal and commercial automobile claims only;
- b. maintain a \$1 million personal errors and omissions insurance policy; and
- c. provide written notice of his criminal record to any appointing company, agency, or sponsor. McDorman must provide the department with a copy of the notification within 30 days of the appointment or sponsorship to the Texas Department of Insurance, Attn: Catherine Bell or her successor, Enforcement Section, Mail Code 110-1A, P.O. Box 149104, Austin, Texas 78714-9104.

Beginning from the date of this order and continuing through the probation period, McDorman must file a written report, on or before the 15th day of each month, with the Texas Department of Insurance, Attn: Catherine Bell or her successor, Enforcement Section, Mail Code 110-1A, P.O. Box 149104, Austin, Texas 78714-9104. The reports must include McDorman's current home and business mailing addresses, business telephone numbers, and a copy of any and all contracts entered into by McDorman in his capacity as a public insurance adjuster.

McDorman must notify the department immediately of the following:

- a. any charges or indictments filed against him for a misdemeanor or felony during the period he is required to file reports, excluding traffic offenses and Class C misdemeanors;
- b. any state or regulatory actions taken against him including formal and informal actions;
- c. any change in his employment or his residence; and
- d. any complaint made against McDorman concerning his performance as a public insurance adjuster, as well as a written explanation detailing the steps taken to resolve it.

The commissioner grants written consent, as contemplated by 18 U.S.C. § 1033(e)(2), for McDorman to perform the acts of a public insurance adjuster with respect to persons that are domiciled in and risks and subjects of insurance that are resident, located, or to be performed in Texas. This written consent will remain in effect for as long as McDorman renews his public insurance adjuster license. This written consent terminates immediately if any insurance license or authorization held by McDorman is suspended or revoked.



David C. Mattax
Commissioner of Insurance

APPROVED AS TO FORM AND CONTENT:



Elissa Mazza
Staff Attorney
Compliance Division, Enforcement Section
Texas Department of Insurance

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COMMISSIONER'S ORDER
Robert Lyndall McDorman
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Affidavit

STATE OF TEXAS

COUNTY OF Jefferson

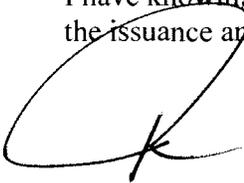
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Before me, the undersigned authority, personally appeared the affiant, who being by me duly sworn, deposed as follows:

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

I waive rights provided by the Texas Insurance Code and other applicable law and acknowledge the jurisdiction of the commissioner.

I have knowingly and voluntarily entered into this consent order and agree with and consent to the issuance and service of the same by the commissioner of insurance of the state of Texas."



Affiant

SWORN TO AND SUBSCRIBED before me on this 1 day of April, 2016.

(NOTARY STAMP)

Naomi Perdue
Signature of Notary Public

