

No. 2018- 5593

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

Date: JUL 3 0 2018

Subjects Considered:

DAVID WAYNE JUDGE
1410 Quanah Ct
Allen, Texas 75013

M2 INSURANCE SERVICES, LLC
17330 Preston Road #200-D
Dallas, Texas 75252

SPECIALEVENTINS4U, LLC
17330 Preston Road #200-D
Dallas, Texas 75252

DEFAULT ORDER

SOAH DOCKET NO. 454-18-3748.C
TDI ENFORCEMENT FILE NOS. 11810, 13385, 13384

The subject of this order is whether disciplinary action should be taken against David Wayne Judge (Judge), M2 Insurance Services, LLC (M2), and SpecialEventIns4U, LLC (SpecialEvents).

FINDINGS OF FACT

Background and Licensure

1. Judge holds a general lines agent license with a property and casualty qualification, issued by the Texas Department of Insurance (department) on October 24, 2007, and a surplus lines agent license, issued by the department on August 18, 2014.
2. M2 held a general lines agency license with a property and casualty qualification, issued by the department on December 20, 2013. The agency license expired on December 20, 2017.
3. SpecialEvents held a general lines agency license with a property and casualty qualification, issued by the department on October 15, 2015. The agency's license expired on October 15, 2017.
4. Judge is listed as a member and the designated responsible licensed person of M2 and 65% owner of SpecialEvents.

Conversion of PremiumsM2 Insurance Services, LLC and SpecialEventIns4U, LLC

5. Since 2015, HCC Specialty Underwriters, Inc. (HCCSU), as either Program Administrator or Managing General Underwriter, issued four named policies to SpecialEvents with approximately \$1,000,000 in gross premiums.
6. Judge was operating both M2 and SpecialEvents as essentially one company. Clients would purchase from websites offering policies as SpecialEvents, but the sites listed M2 as the agency and communications through the website went to M2.
7. Judge created several websites to facilitate sales for SpecialEvents:
 - a. <https://weddinginsurennow.com>;
 - b. <https://www.bandinsurennow.com>;
 - c. <https://www.vendorinsurennow.com>;
 - d. <https://www.exhibitorinsurennow.com>; and
 - e. <https://farmersmarketinsurennow.com>.
8. Each website corresponded to a named policy issued to SpecialEvents by HCCSU: (1) Subscribed Wedding Organizers of SpecialEventIns4U.com; (2) Subscribed Bands of SpecialEventIns4U.com; (3) Subscribed Exhibitors/Vendors of SpecialEventIns4U.com; and (4) Subscribed Farmers of SpecialEventIns4U.com.
9. Clients that purchased policies from one of the websites would receive confirmation from the site that they had been added to the applicable policies as scheduled insureds. Criteria for purchase was provided by HCCSU and was confirmed through questions or confirmations on each website.
10. From approximately May 2016 through July 2016, SpecialEvents continued to operate online, accepting client applications and payments, but failed to make required premium payments to HCCSU. Therefore, consumers thought they were purchasing policies but those policies did not exist.
11. In approximately May of 2016, Judge relocated to the State of Florida but made no arrangements for the closing of his companies.

Policy for A.A.

12. An employee of SpecialEvents provided an insurance quote to A.A. and confirmed receipt of A.A.'s premium payment on May 5, 2016.

13. A.A. was provided with documentation indicating that coverage was bound through United States Fire Insurance (United). However, United never received information for A.A. and no policy was created.

Failure to Respond to Department Inquiries

14. The department made written requests for information to Judge regarding issues related to this matter on October 23, 2017, and November 16, 2017. Judge failed to respond by the 15th day after receiving the requests or to send a written request for more time to respond.

Failure to Notify Department of Administrative Actions by Other States

15. On or about June 2, 2017, the South Dakota Division of Insurance denied Judge's application for an insurance license. Judge did not inform the department of the denial as required.
16. On or about September 26, 2017, the Maine Bureau of Insurance revoked Judge's insurance license. Judge did not inform the department of the revocation as required.
17. On or about February 27, 2018, the California Department of Insurance revoked Judge's insurance license. Judge did not inform the department of the revocation as required.
18. On or about March 27, 2018, the Washington State Office of the Insurance Commissioner revoked Judge's insurance license. Judge did not inform the department of the revocation as required.

Failure to Respond to Notice of Hearing

19. On May 18, 2018, the department sent a notice of hearing to Judge's last known address provided in writing to the department, 1410 Quannah Ct, Allen, Texas 75013.
20. On May 18, 2018, the department sent a notice of hearing to M2's last known address provided in writing to the department, 17330 Preston Road #200-D, Dallas, Texas 75252.
21. On May 18, 2018, the department sent a notice of hearing to SpecialEvents' last known address provided in writing to the department, 17330 Preston Road #200-D, Dallas, Texas 75252.
22. Judge, M2, and SpecialEvents failed to file a written response to the notice of hearing within 20 days of the date the notice of hearing was mailed.

CONCLUSIONS OF LAW

1. The commissioner has jurisdiction over this matter pursuant to TEX. INS. CODE §§ 82.051-82.055, 981.003; 981.202-981.203; 4001.002, 4005.101-4005.107, 4051.051; TEX. OCC. CODE §§ 53.021-53.023; and TEX. GOV'T CODE §§ 2001.051-2001.178.
2. The commissioner has authority to dispose of this case informally pursuant to TEX. GOV'T CODE § 2001.056; TEX. INS. CODE § 82.055; and 28 TEX. ADMIN. CODE §§ 1.47, 1.88, and 1.89.
3. Pursuant to 28 TEX. ADMIN. CODE § 19.906, Judge's last known address is presumed to be 1410 Quanah Ct, Allen, Texas 75013.
4. Pursuant to 28 TEX. ADMIN. CODE § 19.906, M2's last known address is presumed to be 17330 Preston Road #200-D, Dallas, Texas 75252.
5. Pursuant to 28 TEX. ADMIN. CODE § 19.906, SpecialEvents' last known address is presumed to be 17330 Preston Road #200-D, Dallas, Texas 75252.
6. The department sent a notice of hearing to Judge's, M2's, and SpecialEvents' last known address as required by 28 TEX. ADMIN. CODE §§ 1.28(c) and 1.88(c); 1 TEX. ADMIN. CODE § 155.401; and TEX. GOV'T CODE Ch. 2001.
7. Judge, M2, and SpecialEvents received proper notice of the hearing, pursuant to TEX. GOV'T CODE §§ 2001.051, 2001.052, and 2001.054, and 28 TEX. ADMIN. CODE §§ 1.28, 1.88, and 1.89.
8. Based on Judge's, M2's, and SpecialEvents' failure to file a written response to the notice of hearing, the department is entitled to disposition by default pursuant to 28 TEX. ADMIN. CODE §§ 1.88 and 1.89.
9. The department's allegations in the notice of hearing, set out herein as findings of fact nos. 1-18, are deemed admitted as true pursuant to 28 TEX. ADMIN. CODE § 1.89.
10. Judge, M2, and SpecialEvents have willfully violated an insurance law of this state, as contemplated by TEX. INS. CODE § 4005.101(b)(1).
11. Judge, M2, and SpecialEvents have misappropriated, converted to their own use, or illegally withheld money belonging to an insured, as contemplated by TEX. INS. CODE § 4005.101(b)(4).

12. Judge, M2, and SpecialEvents have engaged in fraudulent or dishonest acts or practices, as contemplated by TEX. INS. CODE § 4005.101(b)(5).
13. The department may seek disciplinary action against a former license holder for conduct committed before the effective date of a voluntary surrender or automatic forfeiture of the license, as contemplated by TEX. INS. CODE § 4005.107.
14. Judge failed to respond in writing no later than the 15th day after receiving an inquiry from the department or to send a written request for more time to respond, in violation of TEX. INS. CODE § 38.001.
15. Judge failed to notify the department of administrative actions taken against him by other states, in violation of TEX. INS. CODE § 4001.252.

It is ordered that David Wayne Judge's general lines agent license with a property and casualty qualification and surplus lines agent license are revoked.

It is ordered that M2 Insurance Services, LLC's general lines agency license with a property and casualty qualification is revoked.

It is ordered that SpecialEventsIns4U, LLC's general lines agency license with a property and casualty qualification is revoked.

A copy of this order will be provided to law enforcement and/or other appropriate administrative agencies for further investigation as may be warranted.



Kent C. Sullivan
Commissioner of Insurance

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 David Wayne Judge, M2 Insurance Services, LLC, and SpecialEventIns4U, LLC. I have confirmed that:

- a. The last mailing address provided to the department in writing by David Wayne Judge is 1410 Quanah Ct, Allen, Texas 75013.
- b. The last mailing address provided to the department in writing by M2 Insurance Services, LLC is 17330 Preston Road #200-D, Dallas, Texas 75252.
- c. The last mailing address provided to the department in writing by SpecialEventIns4U, LLC is 17330 Preston Road #200-D, Dallas, Texas 75252.
- d. The files maintained by the Enforcement Section of the Legal and Enforcement Division contain a notice of hearing dated May 18, 2018, which was filed with the State Office of Administrative Hearings.
- e. On May 18, 2018, a notice of hearing addressed to David Wayne Judge, was mailed first class and certified, with return receipt requested, to his last known address.
- f. On May 18, 2018, a notice of hearing addressed to M2 Insurance Services, LLC, was mailed first class and certified, with return receipt requested, to its last known address.
- g. On May 18, 2018, a notice of hearing addressed to SpecialEventIns4U, was mailed first class and certified, with return receipt requested, to its last known address.

Copies of the first class logs and certified mail logs maintained by the Enforcement Section are attached as Exhibit A and Exhibit B.”

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COMMISSIONER'S ORDER

David Wayne Judge

M2 Insurance Services, LLC

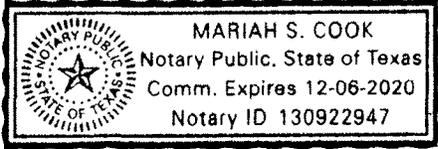
SpecialEventIns4U, LLC

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Mary J
Affiant

SWORN TO AND SUBSCRIBED before me on June 21, 2018.

(NOTARY SEAL)



M.S. Cook
Signature of Notary Public

MARIAH S. COOK
Printed Name of Notary Public

2018- 5593



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: 05/18/2018

Shipped From:

Name: MC 110-1A M RUIZ

Address: 333 GUADALIPE ST

City: AUSTIN

State: TX ZIP+4® 78701

Type of Mail	Volume
Priority Mail Express**	
Priority Mail®	0
First-Class Package Service®	
Returns	
International*	
Other	5
Total	5

*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.

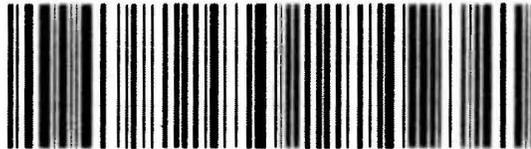
B. USPS Action

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



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