

No. 2019- 6023

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

Date: JUL 19 2019

Subjects Considered:

Kenrick Demione Gage
P.O. Box 151469
Arlington, Texas 76015-7469

Gage Adjusting Group, LLC
813 N. Main St., Ste. 323
McAllen, Texas 78501

Default Order
SOAH Docket No. 454-19-4849.C
TDI Enforcement File Nos. 15963, 19987

General remarks and official action taken:

This is a default order taken against Kenrick Demione Gage (Gage) and Gage Adjusting Group, LLC (GAG) because Gage and GAG engaged in the unauthorized practice of public insurance adjusting without a license and Gage violated a commissioner's order. Gage and GAG did not respond to a Notice of Hearing filed by the department. This order revokes Gage's license and orders GAG to cease and desist from engaging in the unauthorized business of insurance.

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

Findings of Fact

Failure to Respond to Notice of Hearing

1. On May 16, 2019, the department filed a Notice of Hearing, attached as Exhibit A, with the State Office of Administrative Hearings.

2. The department's factual allegations set out in the attached Notice of Hearing are incorporated in this order as findings of fact.
3. The department sent the Notice of Hearing to Gage's last known address provided in writing to the department, P.O. Box 151469, Arlington, Texas 76015-7469. Notice was also sent to one additional address associated with Gage: 7530 Bresnahan St., San Antonio, Texas 78240-3601.
4. The department sent the Notice of Hearing to GAG's last known address provided in writing to the department, 813 N. Main St., Ste. 323, McAllen, Texas 78501.
5. Gage and GAG failed to file a written response to the notice of hearing within 20 days of the date the notice of hearing was mailed.
6. Based on Gage's and GAG's 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.

Conclusions of Law

1. The commissioner has jurisdiction pursuant to Texas law, including TEX. INS. CODE §§ 82.051-82.055, 101.101-101.156, and Ch. 4102, 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. The department provided 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, 1.89, and 19.906.
4. Based on Gage's and GAG's failure to file a written response to the notice of hearing, TDI is entitled to disposition by default pursuant to 28 TEX. ADMIN. CODE §§ 1.88 and 1.89.
5. The department's factual and legal allegations set out in the attached Notice of Hearing are incorporated in this order and deemed admitted as true pursuant to 28 TEX. ADMIN. CODE § 1.89.

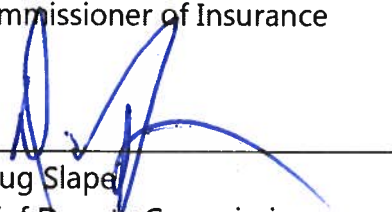
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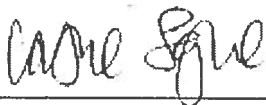
Order

It is ordered that Kenrick Demione Gage's public insurance adjuster license is revoked. It is also ordered that Gage Adjusting Group, LLC, cease and desist from engaging in the unauthorized business of insurance. 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

By: 
Doug Slape
Chief Deputy Commissioner
Commissioner's Order No. 2018-5528

Prepared and reviewed by:



Cassie Tighe, Staff Attorney
Enforcement Section

Affidavit

STATE OF TEXAS §
 §
COUNTY OF TRAVIS §

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

"My name is Mariah Cook 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 Kenrick Demione Gage and Gage Adjusting Group, LLC. I have confirmed that:

- a. The last mailing address provided to the department in writing by Kenrick Demione Gage is P.O. Box 151469, Arlington, Texas 76015-7469.
- b. The last mailing address provided to the department in writing by Gage Adjusting Group, LLC is 813 N. Main St., Ste. 323, McAllen, Texas 78501.
- c. The file maintained by the Enforcement Section of the Legal and Enforcement Division contains a Notice of Hearing dated May 16, 2019, which was filed with the State Office of Administrative Hearings.
- d. On May 16, 2019, a Notice of Hearing addressed to Kenrick Demione Gage was mailed first class and certified, return receipt requested, to his last known address and one additional address associated with Gage: 7530 Bresnahan St., San Antonio, Texas 78240-3601.
- e. On May 16, 2019, a Notice of Hearing addressed to Gage Adjusting Group, LLC was mailed first class and certified, return receipt requested, to their last known address.

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Commissioner's Order

Kenrick Demione Gage and Gage Adjusting Group, LLC

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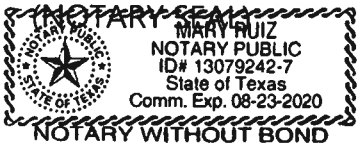
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Copies of the first class mail log and certified mail log maintained by the Enforcement Section are attached as Exhibit B, Exhibit C, Exhibit D, and Exhibit E, respectively."

Marian S. Cook

Affiant

SWORN TO AND SUBSCRIBED before me on July 18th, 2019.



Mary Ruiz

Signature of Notary Public

Mary Ruiz

Printed Name of Notary Public

2019- 6023

**SOAH DOCKET NO. 454-19-4849.C
TDI ENFORCEMENT FILE NOS. 15963, 19987**

TEXAS DEPARTMENT OF INSURANCE,

Petitioner

v.

**KENRICK DEMIONE GAGE & GAGE
ADJUSTING GROUP, LLC**

Respondents

BEFORE THE STATE OFFICE

OF

ADMINISTRATIVE HEARINGS

Notice of Hearing

The Texas Department of Insurance is seeking disciplinary action against you, including an order to cease and desist all unauthorized insurance activity in the State of Texas, revocation of active insurance licenses, and the imposition of administrative penalties and any additional sanctions available. A public hearing will be held before an Administrative Law Judge on Tuesday, August 13, 2019, at 9:00 a.m. The hearing will take place at the State Office of Administrative Hearings, located in the William P. Clements Building, 300 W. 15th Street, 4th Floor, Austin, Texas, 78701.

The hearing shall be conducted pursuant to TEX. GOV'T CODE, ch. 2001 and 1 TEX. ADMIN. CODE, ch. 155. Unless otherwise directed by the Administrative Law Judge, the hearing shall continue from day to day in the offices of the State Office of Administrative Hearings until concluded.

PARTIES THAT ARE NOT REPRESENTED BY AN ATTORNEY MAY OBTAIN INFORMATION REGARDING CONTESTED CASE HEARINGS ON THE PUBLIC WEBSITE OF THE STATE OFFICE OF ADMINISTRATIVE HEARINGS AT WWW.SOAH.TEXAS.GOV, OR IN PRINTED FORMAT UPON REQUEST TO SOAH.

The commissioner of insurance has jurisdiction over this matter pursuant to TEX. INS. CODE §§ 82.051-82.055, 101.101-101.156, and Ch. 4102, and TEX. GOV'T CODE §§ 2001.051-2001.178.

YOU MUST FILE A WRITTEN RESPONSE TO THE NOTICE OF HEARING WITH THE STATE OFFICE OF ADMINISTRATIVE HEARINGS WITHIN 20 DAYS OF THE DATE THE



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NOTICE OF HEARING WAS MAILED. FAILURE TO FILE A WRITTEN RESPONSE BY THIS DEADLINE SHALL ENTITLE TDI TO SEEK DISPOSITION BY DEFAULT PURSUANT TO 1 TEX. ADMIN. CODE § 155.501 AND 28 TEX. ADMIN. CODE §§ 1.88 AND 1.89.

IF YOU FAIL TO FILE A WRITTEN RESPONSE, THE SCHEDULED HEARING CAN BE CANCELED AND WITHOUT FURTHER NOTICE TO YOU THE COMMISSIONER OF INSURANCE CAN ISSUE AN ORDER IN WHICH THE ALLEGATIONS IN THE NOTICE OF HEARING ARE DEEMED ADMITTED AS TRUE AND THE RELIEF SOUGHT IN THE NOTICE OF HEARING, INCLUDING REVOCATION OF YOUR LICENSE, ISSUANCE OF A CEASE AND DESIST ORDER, IMPOSITION OF ADMINISTRATIVE PENALTIES, AND/OR PAYMENT OF RESTITUTION, IS GRANTED BY DEFAULT.

IF YOU FILE A WRITTEN RESPONSE BUT THEN FAIL TO APPEAR ON THE DAY AND TIME SET FOR HEARING, WITHOUT FURTHER NOTICE TO YOU, THE COMMISSIONER OF INSURANCE CAN ISSUE AN ORDER IN WHICH THE ALLEGATIONS IN THE NOTICE OF HEARING ARE DEEMED ADMITTED AS TRUE AND THE RELIEF SOUGHT IN THE NOTICE OF HEARING, INCLUDING REVOCATION OF YOUR LICENSE, ISSUANCE OF A CEASE AND DESIST ORDER, IMPOSITION OF ADMINISTRATIVE PENALTIES, AND/OR PAYMENT OF RESTITUTION, IS GRANTED BY DEFAULT.

In accord with 28 TEX. ADMIN. CODE § 1.90(e) and 1 TEX. ADMIN. CODE §§ 155.101 and 155.103, you should send copies of your written response to:

- (1) Docketing Division
State Office of Administrative Hearings
300 West 15th Street, Room 504
P.O. Box 13025
Austin, Texas 78711-3025
(512) 322-2061 (Fax);
- (2) Chief Clerk
Texas Department of Insurance, MC113-2A
P.O. Box 149104
Austin, Texas 78714-9104
(512) 490-1064 (Fax)
chiefclerk@tdi.texas.gov; and
- (3) Cassie Tighe

Staff Attorney
Texas Department of Insurance
Enforcement Section, MC110-1A
P.O. Box 149104
Austin, Texas 78714-9104
(512) 490-1020 (Fax)
Cassie.Tigue@tdi.texas.gov.

Factual Allegations

Licensure

1. Kenrick Demione Gage (Gage), individual identification no. 1091773, holds a public insurance adjuster license originally issued by the Texas Department of Insurance on February 14, 2012.
2. Gage Adjusting Group, LLC (GAG), firm identification no. 102177, held a public insurance adjusting firm license originally issued by the department on May 13, 2015. On May 13, 2017, the license expired due to failure to renew.

Background and Previous Disciplinary History

3. On June 16, 2011, Gage filed a registration for GAG with the Texas Secretary of State (SOS).
4. On February 8, 2013, the charter for GAG was forfeited or revoked by the SOS under the provisions of the Tax Code.
5. On July 1, 2013, the department received a complaint alleging unlicensed activity by GAG and Gage individually, overcharging of fees, and an improperly drafted public insurance adjuster (PIA) contract.
6. On January 21, 2015, the SOS reinstated the charter for GAG.
7. On May 13, 2015, GAG obtained a public insurance adjusting firm license issued by the department in order to come into compliance with Texas insurance laws.

8. On June 1, 2015, the commissioner issued Commissioner Order No. 3990. The consent order found that Gage performed the acts of a PIA through GAG prior to GAG obtaining a separate entity license. Gage was ordered to pay an administrative penalty.
9. On January 29, 2016, the SOS issued a forfeiture of the charter for GAG.
10. On May 13, 2017, GAG's license expired due to Gage's failure to renew his firm's license.

Recent Misconduct

11. On August 26, 2017, an insured filed a claim for a plumbing leak with his insurance company. CJW Associates (CJW) was the adjusting firm assigned to handle the claim on behalf of the insurance company.
12. On September 21, 2017, *after* GAG's public insurance adjusting firm license had expired, Gage issued a letter of representation of the insured to CJW. The letter clearly included "Gage Adjusting Group" in the letterhead and instructed CJW that "payment of the loss should include Gage Adjusting Group as a payee."
13. Along with the letter of representation, Gage sent a copy of his PIA contract to CJW. The PIA contract clearly names GAG as the PIA, despite GAG no longer holding a license.
14. Having already obtained a commissioner's order sanctioning him for operating his public insurance adjusting firm without a license, Gage once again committed the same misconduct in violation of Texas insurance laws.

Legal Allegations

1. Gage and GAG engaged in acts constituting the business of insurance without a license, as defined in TEX. INS. CODE §§ 101.051, in violation of TEX. INS. CODE §§ 101.102.
2. Gage and GAG engaged in the unauthorized practice of public insurance adjusting, as contemplated by TEX. INS. CODE § 4102.001(3)(A)(i) when they acted on behalf of an insured in negotiating for or effecting the settlement of a claim or claims for

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loss or damage under any policy of insurance covering real or personal property when GAG did not hold a license, in violation of TEX. INS. CODE § 4102.051.

3. Gage and GAG engaged in the unauthorized practice of public insurance adjusting, as contemplated by TEX. INS. CODE § 4102.001(3)(B) when they advertised, solicited business, or held GAG out to the public as an adjuster of claims for loss or damage under any policy of insurance covering real or personal property when GAG did not hold a license, in violation of TEX. INS. CODE § 4102.051.
4. Gage has violated a Commissioner Order, pursuant to TEX. INS. CODE § 82.051, by continuing to engage in the business of insurance without a license.

Relief Sought

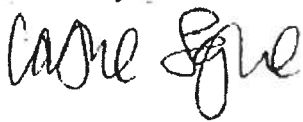
If one or more of the above allegations is found to be true, the commissioner may enter an order revoking your license, ordering you to cease and desist from certain activity, and/or imposing an administrative penalty, restitution, and additional sanctions. You have the right to appear at this hearing and to be represented by an attorney. Please address any questions and correspondence to the undersigned counsel at the address or telephone number below.

Important Security Notice

ALL VISITORS TO THE WILLIAM P. CLEMENTS BUILDING WITHOUT AN AGENCY OR DPS ISSUED ID CARD MUST PROVIDE THE BUILDING SECURITY OFFICER WITH THE STATE OFFICE OF ADMINISTRATIVE HEARINGS DOCKET NUMBER AND RECEIVE A VISITOR'S PASS IN ORDER TO BE ALLOWED ACCESS TO THE HEARING ROOM. INDIVIDUALS SHOULD ALLOW ADDITIONAL TIME TO GO THROUGH THE SECURITY PROCESS.

If you have any questions, please contact me at the address or telephone number shown below.

Sincerely,



Cassie Tigue

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Staff Attorney

State Bar No. 24099994

Texas Department of Insurance

Legal and Enforcement Division - Enforcement Section, MC110-1A

P.O. Box 149104

Austin, Texas 78714-9104

(512) 676-6356 (Direct)

(512) 490-1020 (Fax)

Cassie.Tigue@tdi.texas.gov

cc: Leah Gillum, Associate Commissioner, Enforcement Section, MC-110-1A
Ginger Loeffler, Director, License Litigation Office, Enforcement Section, MC-110-1A
Administrative Review, MC107-1A

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Certificate of Service

I, Cassie Tigue, certify that a true and correct copy of this *Notice of Hearing* was sent by regular, first-class mail and by certified mail, return receipt requested, on this 16th day of May, 2019 to:

Kenrick Demione Gage
P.O. Box 151469
Arlington, TX 76015-7469
Respondent Pro Se

Via CM/RRR No.: 9214 8901 9403 8383 4114 19

Kenrick Demione Gage
7530 Bresnahan St.
San Antonio, TX 78240-3601
Respondent Pro Se

Via CM/RRR No.: 9214 8901 9403 8383 4114 71

Kenrick Demione Gage
5460 Babcock Rd., Ste. 120C
San Antonio, TX 78240
Respondent Pro Se

Via CM/RRR No.: 9214 8901 9403 8383 4115 25

Gage Adjusting Group, LLC
813 N. Main St., Ste. 323
McAllen, TX 78501
Respondent Pro Se

Via CM/RRR No.: 9214 8901 9403 8383 4115 56



Cassie Tigue

019-

6023

Name and Address of Sender
 Texas Dept of Insurance
 Mail Code 110-1A
 333 Guadalupe St
 Austin TX 78701
 Maniah Cook
 May 16, 2019

Check type of mail or service
 Adult Signature Required
 Adult Signature Restricted Delivery
 Certified Mail
 Certified Mail Restricted
 Collect on Delivery (COD)
 Insured Mail
 Priority Mail
 Priority Mail Express
 Registered Mail
 Return Receipt for Merchandise
 Signature Confirmation
 Signature Confirmation Restricted Delivery

USPS Tracking/Article Number	Address (Name, Street, City, State, & Zip Code)	Postage	Extra Service Fee	Handling Charge	Actual Value If Registered	Insured Value	Due Sender if COD	ASR Fee	ASRD Fee	RD Fee	SCRD Fee
TIGUE15953, 19987	Kerrick Demione Gage P.O. Box 151469 Arlington, TX 76015-7469	65									
	Kerrick Demione Gage 7530 Bresnahan St. San Antonio, TX 78240-3601	65									
	Kerrick Demione Gage 5460 Babcock Pk., Ste. 120C San Antonio, TX 78240	65									
	Gage Adjusting Group, LLC 813 N. Main St., Ste. 323 McAllen, TX 78501	65									

US POSTAGE \$001.640
 05/16/2019
 ZIP 78701
 041M1232405

OFFICIAL BUSINESS
 STATE OF TEXAS
 PENALTY FOR PRIVATE USE

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

RECEIVED
 MAY 20 2019
TDI - ENFORCEMENT

Total Number of Pieces Listed by Sender

Postmaster, Per (Name of receiving agency)

[Signature]

McAllen, TX
 61002
 1 MAY 19 2019

EXHIBIT

B

Completed in Ink



Firm Mailing Book For Accountable Mail

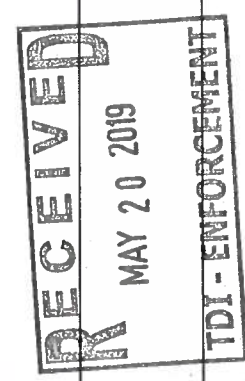
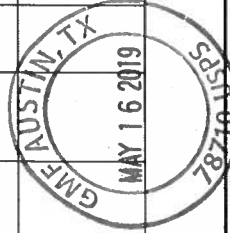
2019-6023

Name and Address of Sender
 MC-110-1A M. Cook
 Texas Department of Insurance
 333 Guadalupe St
 Austin TX 78701

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

Affix Stamp Here
 (if issued as an international certificate of mailing or for additional copies of this receipt).
 Postmark with Date of Receipt.

USPS Tracking/Article Number	Addressee (Name, Street, City, State, & ZIP Code™)	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. 9214 8901 9403 8383 4114 19	KENRICK DEMIONE GAGE PO Box 151469 ARLINGTON TX 76015-7469	1.15	3.50								1.60			
TIGUE/15963 AND 19987														
2. 9214 8901 9403 8383 4114 71	KENRICK DEMIONE GAGE 7530 BRESNAHAN ST SAN ANTONIO TX 78240-3601	1.15	3.50								1.60			
3. 9214 8901 9403 8383 4115 25	KENRICK DEMIONE GAGE 5460 BABCOCK RD STE 120C SAN ANTONIO TX 78240	1.15	3.50								1.60			
4. 9214 8901 9403 8383 4115 56	GAGE ADJUSTING GROUP LLC 813 N MAIN ST STE 323 MCALLEN TX 78501	1.15	3.50								1.60			
				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										



Postmaster, P (Name of receiving employee)
 Complete in Ink



Total Number of Pieces Listed by Sender: 4
 Total Number of Pieces Received at Post Office: 4
 PS Form 3877, April 2015 (Page 1 of 1)
 PSN 7530-02-000-9098

For more information on USPS privacy policies, visit usps.com/privacypolicy.

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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: 05/16/2019
Shipped From:
Name: MC-110-1A M COOK
Address: 333 GUADALUPE 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	4
Total	4

*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 0014 5351 91

