

No. 2025-9467

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

Date: 08/11/2025

Subject Considered:

Carlos Franco Vera
Houston, Texas

Default Order
TDI Enforcement File No. 32418

General remarks and official action taken:

This is a default order taken against Carlos Franco Vera (Respondent) because Respondent: engaged in fraudulent or dishonest acts or practices; misappropriated, converted to his own use, or illegally withheld money belonging to two different insurers; and, engaged in business as an agent for an insurer without authority or an appointment. Respondent did not respond to a Notice of Allegations mailed by the Texas Department of Insurance. This order revokes Respondent's license and orders Respondent to pay restitution to the two insurers.

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

Findings of Fact

Failure to Respond to Notice of Allegations

1. On June 23, 2025, 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 writing to the department, [REDACTED] Houston, TX 77012.

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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 has jurisdiction under Texas law, including TEX. INS. CODE §§ 82.051-82.055, 4001.002, 4005.101, 4005.102, and 4054.051, 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 §§ 1.28, 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.

Order

It is ordered that any licenses held by Carlos Franco Vera are revoked. A copy of this order will be provided to law enforcement or other appropriate administrative agencies for further investigation as may be warranted.

It is further ordered that Carlos Franco Vera pay restitution in the amount of:

- a. \$52,444.74 to Great Western Insurance Company; and
- b. \$25,604.45 to The Independent Order of Foresters.

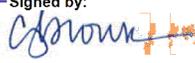
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Commissioner's Order

Carlos Franco Vera

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Proof of payment of the restitution must be sent electronically to TDI within 30 days from the date of this order to EnforcementReports@tdi.texas.gov.

Signed by:

FC5D7EDDFFBB4F8

Cassie Brown
Commissioner of Insurance

Prepared and reviewed by:



Sarah White, Staff Attorney
Enforcement

Affidavit

STATE OF TEXAS §
 §
COUNTY OF TRAVIS §

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

"My name is Daniel Mireles 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 Carlos Franco Vera. I have confirmed that:

- a. The last mailing address provided to the department in writing by Carlos Franco Vera is [REDACTED] Houston, Texas 77012.
- b. The file maintained by Enforcement contains a Notice of Allegations dated June 23, 2025, which was sent to Carlos Franco Vera.
- c. On June 23, 2025, the Notice of Allegations addressed to Carlos Franco Vera was mailed first-class and certified, return receipt requested, to his last known address.

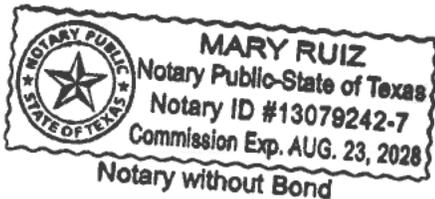
Copies of the first-class mail log and certified mail log maintained by Enforcement are attached as Exhibit B and Exhibit C, respectively."

Daniel Mireles

Affiant

SWORN TO AND SUBSCRIBED before me on July 17, 2025.

(NOTARY SEAL)



Mary Ruiz

Signature of Notary Public

Mary Ruiz

Printed Name of Notary Public

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

June 23, 2025

Carlos Franco Vera
[REDACTED]
Houston, TX 77012

Via CM/RRR No. 9214 8901 9403 8320 1694 03
Via First Class Mail
Via Email: [REDACTED]

**TDI ENFORCEMENT CASE NO. 32418
NOTICE OF ALLEGATIONS AGAINST CARLOS FRANCO VERA**

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

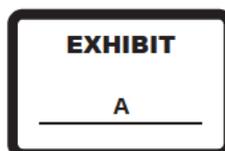
YOU HAVE THE RIGHT TO A HEARING AND ARE INVITED TO SHOW COMPLIANCE WITH THE LAW. To request a hearing, you must send a written response to TDI within 20 days of the date this Notice was mailed.

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:

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



Jurisdiction

The commissioner of insurance has jurisdiction over this matter under TEX. INS. CODE §§ 82.051–82.055, 4001.002, 4005.101, 4005.102, and 4054.051, and TEX. GOV'T CODE §§ 2001.003(1) and 2001.051–2001.178.

Factual Allegations

Licensure and Background

1. Carlos Franco Vera (Franco Vera), individual identification number 1333259, holds a general lines agent license with a life, accident, health, and HMO qualification issued by TDI on April 17, 2018.

Prior Disciplinary History

2. On September 10, 2021, TDI sent Franco Vera a warning letter following an investigation in TDI Enforcement Case No. 26710.
3. The letter warned and advised Franco Vera that submitting applications for insurance without the customer's knowledge or consent is a violation of his fiduciary obligation to an insurer.
4. Franco Vera was further warned and advised that:
 - a. TDI expects complete honesty and disclosure on the part of its agents; and
 - b. a misstatement to obtain insurance may be grounds for disciplinary action and that disciplinary action can include license revocation and administrative penalties.

Cancelled for Cause by Great Western Insurance Company

5. TDI records show Franco Vera held an appointment with Great Western Insurance Company (Great Western) from January 10, 2020, until Great Western notified TDI that they had cancelled his appointment for cause, effective June 22, 2023.
6. Great Western audited 37 life insurance applications Franco Vera submitted between March 1, 2023, and April 18, 2023, finding that:

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- a. Franco Vera requested that 34 of policies be sent directly to him instead of the policyholders;
 - b. in at least 14 of the policies, the applicants had invalid bank accounts and Great Western could not collect premium;
 - c. numerous applications contained address discrepancies;
 - d. the contact information in many applications, including telephone numbers, was incorrect and Great Western was unable to speak with many applicants and did not receive responses to voice messages Great Western left with those applicants; and
 - e. when Great Western was able to speak with some applicants, they indicated that they were not aware of the policy or having completed an application.
7. These 37 applications generated approximately \$81,903.29 in advanced commissions paid directly to Franco Vera.
 8. As of June 27, 2023, Franco Vera's debt balance owed to Great Western was \$44,785.12.
 9. After this audit, Great Western reviewed the rest of Franco Vera's applications and found approximately 73 more applications containing false, incorrect, or fictitious information, specifically:
 - a. in all but four of these applications, Franco Vera requested the policies be sent directly to him instead of the policyholders;
 - b. numerous applications contained incorrect or invalid bank account information;
 - c. numerous applications contained an incorrect address or an address that did not belong to the applicant;
 - d. over 40 applications contained incorrect, out of service phone numbers or phone numbers belonging to a business instead of an individual; and

- e. several applications were written without the knowledge or consent of the applicant – these persons contacted Great Western to inquire as to why they received policies.
- 10. Great Western’s audit and investigation found that Franco Vera submitted false, fictitious, or fraudulent applications for advanced commissions.
- 11. As of March 3, 2025, Franco Vera’s debt balance is approximately \$52,444.74. Under Great Western’s contractual arrangements, Great Western no longer seeks repayment from Franco Vera and instead holds Franco Vera’s supervisory agent accountable to pay for Franco Vera’s debt.

Cancelled for Cause by The Independent Order of Foresters Insurance Company

- 12. TDI records show Franco Vera held an appointment with The Independent Order of Foresters (Foresters) from September 22, 2022, until Foresters notified TDI that they cancelled Franco Vera’s appointment for cause effective October 19, 2023.
- 13. On October 12, 2022, Franco Vera submitted an individual life insurance application for consumer, J.D.
- 14. That same day, Foresters conducted a phone verification with Franco Vera and the purported applicant, J.D. In this recording, Franco Vera contended he was seated with J.D. at that time. The individual claiming to be J.D. then confirmed the details provided in the application.
- 15. On October 17, 2022, Foresters delivered J.D.’s policy to the email address listed in the application.
- 16. However, on September 13, 2023, Foresters received a phone call from J.D. stating that she had never applied for a life insurance policy. J.D. also notified Foresters that the email address and home address in the application were not hers and incorrect.
- 17. On September 14, 2023, J.D. submitted a written complaint to Foresters.
- 18. Foresters conducted an investigation of J.D.’s complaint and found that:

- a. the email address, mailing address, and phone number in J.D.'s application are not associated with her;
 - b. J.D. was never sent a copy of the insurance policy issued in her name;
 - c. as of October 17, 2022, J.D.'s bank account had been drafted for 10 policy premium payments, totaling approximately \$2,800.04; and
 - d. the woman's voice in the recording of the October 12, 2022, phone verification was not J.D.'s voice - therefore Foresters found that Franco Vera had another individual impersonate J.D. during the phone verification.
19. Foresters then reviewed six other recordings of phone verifications for six other life insurance applications submitted by Franco Vera.
 20. Foresters found that the same woman's voice, purporting to be J.D.'s voice, was also in these six recordings and can be heard purporting to be all of these six other applicants.
 21. When Foresters confronted Franco Vera about these six applications, he admitted that the health interviews of the applicants were completed by his assistant, an unlicensed person.
 22. Foresters' investigation found that Franco Vera submitted false, fictitious, or fraudulent applications for advanced commissions totaling approximately \$29,152.35.
 23. Foresters charged back some of the debt, recovering \$3,047.90 from Franco Vera's commissions on active policies. Franco Vera also made one \$500 payment in November of 2023.
 24. Foresters has attached Franco Vera's debt to his supervisory agent, holding that agent accountable for paying the debt balance.
 25. However, as of May 13, 2025, Foresters has not received any additional payments from Franco Vera or his supervisory agent, and Franco Vera's current debt balance is \$25,604.45.

Writing Business Under another Agent's Appointment

26. TDI's records show that Franco Vera has never been appointed to solicit or write insurance for American Memorial Life Insurance Company (AMLIC).
27. Franco Vera is related to another licensed agent, Angelica Franco Vera (Angelica), individual identification number 2825702. According to Angelica, Franco Vera is her step-brother. TDI's records show Angelica and Franco Vera share the same mailing and residential addresses.
28. TDI records show Angelica held an appointment with AMLIC from October 20, 2023, until AMLIC notified TDI it cancelled Angelica's appointment for cause effective January 1, 2024.
29. AMLIC investigated Angelica due to her logging an unusually high number of active policies in a short period of time.
30. Part of AMLIC's investigation included reviewing audio recordings of phone calls to AMLIC from consumers who purchased policies which were shown in AMLIC's records as having purportedly been produced by Angelica. However, in these recordings, at least four consumers stated that a male sold them their AMLIC policy and not Angelica.
31. AMLIC's investigation found that Angelica allowed Franco Vera to write at least four policies using her AMLIC appointment for a commissionable gain and without AMLIC's appointment, consent, or authorization.
32. As of May 20, 2024, Angelica's AMLIC debt balance was approximately \$26,766.48.
33. AMLIC then placed Angelica on a "Commission Payment Hold", which means if there are any commissions payable from her active policies, that credit is applied (or charged back) directly to her debt.
34. AMLIC is attempting to collect the debt from other parties, but has not received any payments from Franco Vera.
35. As of May 21, 2025, after applying commission chargebacks, Angelica still has a debt balance of \$18,869.57 due to AMLIC.

Legal Allegations

1. Franco Vera committed acts for which a license holder may be disciplined under TEX. INS. CODE §§ 4005.101-4005.102.
2. Franco Vera misappropriated, converted to his own use, or illegally withheld money belonging to an insured, insurer, or beneficiary, in violation of TEX. INS. CODE § 4005.101(b)(4).
3. Franco Vera engaged in fraudulent or dishonest acts or practices, in violation of TEX. INS. CODE § 4005.101(b)(5).
4. Franco Vera engaged in business as an agent for an insurer, specifically AMLIC, without authority or an appointment, in violation of TEX. INS. CODE §§ 4001.201-4001.202, and 4001.204.

Relief Sought

TDI seeks the following relief:

1. revocation of your license;
2. restitution to Great Western Insurance Company of \$52,444.74 under TEX. INS. CODE § 82.053;
3. restitution to The Independent Order of Foresters of \$25,604.45 under TEX. INS. CODE § 82.053; and
4. 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,



Sarah White
State Bar No. 24064622
Texas Department of Insurance
Enforcement, MC ENF
P.O. Box 12030
Austin, Texas 78711-2030

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Carlos Franco Vera

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(512) 676-6354 (Direct)

(512) 490-1020 (Fax)

Sarah.White@tdi.texas.gov

cc: Leah Gillum, Deputy Commissioner, Fraud and Enforcement Division, MC: ENF
Rachel Cloyd, Litigation Director, Enforcement, MC: ENF
Administrative Review, MC: CO-AAL

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CERTIFICATE OF SERVICE

I, Sarah White, certify that a true and correct copy of this *Notice of Allegations Against Carlos Franco Vera* was sent by the following methods on this 23rd day of June, 2025 to:

Carlos Franco Vera



Houston, TX 77012

Via CM/RRR No. 9214 8901 9403 8320 1694 03

Via First Class Mail

Via Email:



Respondent Pro Se

A handwritten signature in cursive script that reads "Sarah White".

Sarah White



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: 06/23/2025

Shipped From:

Name: ENF M RUIZ

Address: 1601 CONGRESS AVENUE

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

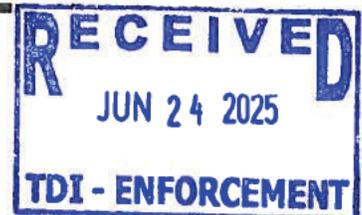
USPS EMPLOYEE: Please scan upon pickup or receipt of mail.
Leave form with customer or in customer's mail receptacle.

USPS SCAN AT ACCEPTANCE



9275 0901 1935 6200 0062 4059 41

WHITE/32418



EXHIBIT

C



Firm Mailing Best For Accountable Mail

Name and Address of Sender
ENF M RUIZ
1601 CONGRESS AVENUE
STE 6,900
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

USPS Tracking/Article Number

1. 9214 8901 9403 8320 1694 03

CARLOS FRANCO VERA

HOUSTON, TX 77012

WHITE/32418

Postage 0.69
Postmaster, Per (Name of receiving employee)
Complete in Ink



RECEIVED
JUN 24 2025
TDI - ENFORCEMENT

2025-9467

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
0.69	4.85	Handling Charge - if Registered and over \$50,000 in value							2.62			
						Adult Signature Required						
						Adult Signature Restricted Delivery						
						Restricted Delivery						
						Return Receipt						
						Signature Confirmation						
						Signature Confirmation Restricted Delivery						
						Special Handling						