

No. 2020-6597

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

Date: 12/10/2020

Subject Considered:

Tyrone Tremaine Hudson
[REDACTED]
Houston, TX 77056

Default Order
SOAH Docket No. 454-21-0080.C
TDI Enforcement File No. 18433

General remarks and official action taken:

This is a default order taken against Tyrone Tremaine Hudson (Respondent) because he engaged in fraudulent and dishonest practices by obtaining credit card information and entering payments without the cardholders' knowledge or consent, and he engaged in the unauthorized business of insurance. Respondent did not respond to a Notice of Hearing filed by the Texas Department of Insurance. This order revokes Respondent's license.

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

Findings of Fact

Failure to Respond to Notice of Hearing

1. On September 10, 2020, the department filed a Notice of Hearing, attached as Exhibit A, and an Original Petition, attached as Exhibit B, with the State Office of Administrative Hearings.
2. The department's factual allegations set out in the attached Notice of Hearing and Original Petition are incorporated in this order as findings of fact.

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Commissioner's Order

Tyrone Tremaine Hudson

SOAH Docket No. 454-21-0080.C

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3. The department sent the Notice of Hearing and Original Petition to Respondent's last known address provided in writing to the department, [REDACTED], Houston, TX 77056. The Notice of Hearing and Original Petition were also sent to two additional addresses associated with Respondent: [REDACTED], Houston, TX 77056 and P.O. Box 1615, Houston, TX 77251-1615.
4. Respondent failed to file a written response to the Notice of Hearing within 20 days of the date the Notice of Hearing and Original Petition were mailed.

Conclusions of Law

1. The commissioner has jurisdiction pursuant to Texas law, including TEX. INS. CODE §§ 82.051-82.055, 84.021-84.044, 4001.002, 4005.101, 4005.101, 4005.102, and 4054.051, 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 Respondent'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.
5. The department's factual and legal allegations set out in the attached Notice of Hearing and Original Petition are incorporated in this order and deemed admitted as true pursuant to 28 TEX. ADMIN. CODE § 1.89.

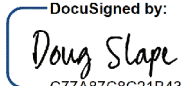
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Tyrone Tremaine Hudson
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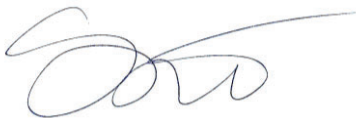
Order

It is ordered that any licenses held by Tyrone Tremaine Hudson are 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.

Commissioner of Insurance

DocuSigned by:

By: C77A87C8C21B435...
Doug Slape
Chief Deputy Commissioner
TEX. GOV'T CODE § 601.002
Commissioner's Order No. 2018-5528

Prepared and reviewed by:



Stephanie Daniels, Staff Attorney
Enforcement Division

2020-6597

Commissioner's Order
Tyrone Tremaine Hudson
SOAH Docket No. 454-21-0080.C
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Affidavit

STATE OF TEXAS §

§

COUNTY OF TRAVIS §

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

"My name is David Moreno 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 Tyrone Tremaine Hudson. I have confirmed that:

- a. The last mailing address provided to the department in writing by Tyrone Tremaine Hudson is [REDACTED] Houston, TX 77056.
- b. The file maintained by the Enforcement Division contains a Notice of Hearing and Original Petition dated September 10, 2020, which were filed with the State Office of Administrative Hearings.
- c. On September 10, 2020, the Notice of Hearing and Original Petition addressed to Tyrone Tremaine Hudson were mailed certified, return receipt requested, to his last known address and two additional addresses: [REDACTED], Houston, TX 77056 and P.O. Box 1615, Houston, TX 77251-1615.

Copies of the certified mail logs maintained by the Enforcement Division are attached as Exhibit C."

DocuSigned by:

David Moreno

7426D57FAC44499...

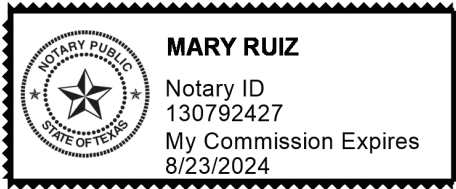
Affiant

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SWORN TO AND SUBSCRIBED before me by means of an interactive two-way audio and video communication on 12/1/2020. This notarial act was an online notarization.

Notary Seal



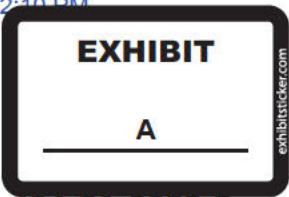
Digital Certificate

DocuSigned by:
Mary Ruiz
795DC4D59167489...

Notary Public State of Texas

2020-6597

ACCEPTED
454-21-0080
9/10/2020 2:16 PM
STATE OFFICE OF
ADMINISTRATIVE HEARINGS
Donnie Roland, CLERK



FILED
454-21-0080
9/10/2020 2:10 PM
STATE OFFICE OF
ADMINISTRATIVE HEARINGS
Donnie Roland, CLERK

SOAH DOCKET NO. 454-21-0080.C
TDI ENFORCEMENT FILE NO. 18433

TEXAS DEPARTMENT OF INSURANCE,

Petitioner

v.

TYRONE TREMAINE HUDSON,

Respondent

BEFORE THE STATE OFFICE

OF

ADMINISTRATIVE HEARINGS

NOTICE OF HEARING

The Texas Department of Insurance seeks to take disciplinary action against you. This Notice of Hearing and the Original Petition, which is attached and incorporated for all purposes, states the allegations against you and the relief sought by the department.

A public hearing will be held before an Administrative Law Judge on **Monday, October 26, 2020, 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. You have the right to appear at this hearing and to be represented by an attorney.

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.

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 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.

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Notice of Hearing

Tyrone Tremaine Hudson

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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
P.O. Box 149104, MC112-2A
Austin, Texas 78714-9104
(512) 490-1064 (Fax)
chiefclerk@tdi.texas.gov; and
- (3) Stephanie Daniels, Staff Attorney
Texas Department of Insurance
Enforcement Division, MC110-1A
P.O. Box 149104
Austin, Texas 78714-9104

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Notice of Hearing
Tyrone Tremaine Hudson
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(512) 490-1020 (Fax)
Stephanie.Daniels@tdi.texas.gov

Receiving Documents

The State Office of Administrative Hearings (SOAH) offers you the ability to receive service of orders and other documents issued by SOAH through email instead of by mail or fax. If you want to receive SOAH-issued documents by email, go to SOAH's website, www.soah.texas.gov, click on the "E-Services" tab, then click the "Email Service" hyperlink and follow the instructions.

NOTE: A request to receive SOAH-issued documents by email does not change the procedures you must follow to file documents with SOAH. The rules for filing documents and providing copies to all other parties in the case are described in SOAH's Procedural Rules, which are available on SOAH's website. Click the "Agency" tab, then click "Administrative Rules and Laws" to view SOAH's Procedural Rules.

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.

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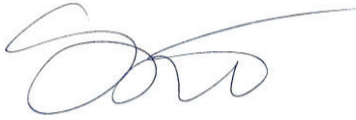
Notice of Hearing

Tyrone Tremaine Hudson

SOAH Docket No. 454-21-0080.C

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Respectfully Submitted,



Stephanie Daniels

State Bar No. 24107343

Texas Department of Insurance

Enforcement Division, MC110-1A

P.O. Box 149104

Austin, Texas 78714-9104

(512) 676-6334 (Direct)

(512) 490-1020 (Fax)

Stephanie.Daniels@tdi.texas.gov

ATTORNEY FOR THE PETITIONER

TEXAS DEPARTMENT OF INSURANCE

cc: Leah Gillum, Deputy Commissioner, Enforcement Division, MC-110-1A
Ginger Loeffler, Litigation Director, Enforcement Division, MC-110-1A
Administrative Review, MC107-1A

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CERTIFICATE OF SERVICE

I, Stephanie Daniels, certify that a true and correct copy of the *Notice of Hearing and the Original Petition* were sent by certified mail, return receipt requested, on this of September 10, 2020 to

Tyrone Tremaine Hudson
[REDACTED]
Houston, TX 77056

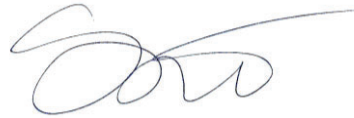
CM/RRR: 9214 8901 9403 8320 6637 03

Tyrone Tremaine Hudson
[REDACTED]
Houston, TX 77056

CM/RRR: 9214 8901 9403 8320 6639 25

Tyrone Tremaine Hudson
P.O. Box 1615
Houston, TX 77251-1615
Respondent Pro Se

CM/RRR: 9214 8901 9403 8320 6641 13

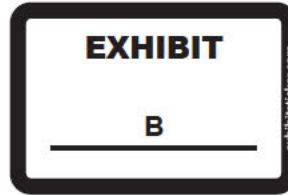


Stephanie Daniels

2020-6597

ACCEPTED
454-21-0080
9/9/2020 3:50 PM
STATE OFFICE OF
ADMINISTRATIVE HEARINGS
Donnie Roland, CLERK

454-21-0080



FILED
454-21-0080
9/9/2020 11:17 AM
STATE OFFICE OF
ADMINISTRATIVE HEARINGS
Donnie Roland, CLERK

SOAH DOCKET NO. 454-_____
TDI ENFORCEMENT FILE NO. 18433

TEXAS DEPARTMENT OF INSURANCE,

Petitioner

v.

TYRONE TREMAINE HUDSON,

Respondent

BEFORE THE STATE OFFICE

OF

ADMINISTRATIVE HEARINGS

ORIGINAL PETITION

The Texas Department of Insurance seeks to take disciplinary action against Tyrone Tremain Hudson. In support of this petition, the department makes the following allegations upon information and belief:

Jurisdiction

The Commissioner of Insurance has jurisdiction over this matter pursuant to TEX. INS. CODE §§ 82.051-82.055, 84.021-84.044, 4001.002, 4005.101, 4005.102, and 4054.051, and TEX. GOV'T CODE §§ 2001.051-2001.178.

Factual Allegations

Licensure and Background

1. Tyrone Tremain "Trae" Hudson (Hudson), individual identification no. 969906, holds a general lines agent license with a life, accident, and health qualification originally issued by the Texas Department of Insurance on August 31, 2016.
2. Hudson is the sole director of Hudson Asset Management Inc. (HMI). HMI registered as a corporation with the Office of the Secretary of State of Texas on October 10, 2017. On February 28, 2020, HMI's certificate of formation was forfeited.
3. On November 30, 2017, Hudson enrolled HMI with ePayPolicy, a company which offers a solution for insurance agents, brokers, managing general agents, and

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Original Petition

Tyrone Tremaine Hudson

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premium finance companies to collect credit card and Automatic Clearing House payments.

4. Hudson is engaging or has engaged in the business of insurance through HMI. HMI had a website on which Hudson was listed as a contact. HMI has never been licensed or registered with the department.

Dishonest/Fraudulent Conduct

5. From March 2018 to May 1, 2018, Hudson fraudulently obtained 21 different credit card numbers and entered a total of 21 payments through ePayPolicy, totaling \$12,967.18. There is no evidence these cardholders were aware of the payments submitted on their behalf or were customers of Hudson. These payments were later disputed by the cardholders and resulted in chargebacks to ePayPolicy.
6. Hudson was contacted by ePayPolicy in early May 2018 when the payments resulted in chargebacks. Hudson claimed an employee entered those payments and kept the funds. Hudson also claimed he filed a police report in Harris County on this employee. A copy of the police report was requested, which Hudson failed to provide. There is no evidence a police report was ever filed by Hudson on this matter.
7. EPayPolicy attempted to recoup payment for the chargebacks from the bank account supplied by Hudson when he enrolled his company with ePayPolicy. The attempts were unsuccessful due to insufficient funds in the account. When Hudson failed to return the funds, complainant M.M. submitted a complaint to the department and filed a police report.
8. Hudson still owes ePayPolicy \$12,967.18 from the failed payments and \$525 in chargeback fees totaling \$13,492.18.

Failure to Respond to Department Inquiry

9. During the department's investigation, three TEX. INS. CODE § 38.001 inquiries were sent on the following dates: October 2, 2019, November 6, 2019, and November 20, 2019. Hudson failed to respond to all three.

Failure to Update Mailing Address with Department

10. Hudson's address of record with the department is: [REDACTED], Houston, Texas 77056. The TEX. INS. CODE § 38.001 inquiries sent October 2, 2019, and November 6, 2019, were returned unclaimed. Hudson has not replied to any correspondence sent to this address.
11. Hudson's address of record with the Office of the Secretary of State of Texas is: [REDACTED], Houston, Texas 77056. The TEX. INS. CODE § 38.001 inquiry sent on November 20, 2019, was marked by USPS as "Forward Time Exp Rtn To Send" and included a new address, P.O. Box 1615, Houston, TX 77251-1615. Hudson failed to update the department of this change of mailing address.

Legal Allegations

1. Hudson committed acts for which a license holder may be disciplined under TEX. INS. CODE § 4005.101, as contemplated in TEX. INS. CODE § 4005.102.
2. Hudson willfully violated an insurance law of this state, pursuant to TEX. INS. CODE § 4005.101(b)(1).
3. Hudson engaged in fraudulent or dishonest acts or practices, pursuant to TEX. INS. CODE § 4005.101(b)(5).
4. Hudson engaged in acts constituting the business of insurance without a license, as defined in TEX. INS. CODE §§ 101.051 and 4001.051, in violation of TEX. INS. CODE §§ 101.102, 4001.101, 4054.051, and 28 TEX. ADMIN. CODE § 19.902.
5. Hudson failed to register an assumed name by filing with the department a completed form LDTL together with the required fee, in violation of 28 TEX. ADMIN. CODE § 19.902.
6. Hudson failed to respond to three separate requests for information, pursuant to TEX. INS. CODE § 38.001(c).
7. Hudson failed to notify the department of a change of address, pursuant to TEX. INS. CODE § 4001.252

Relief Sought

If one or more of the above allegations is found to be true, the department asks the Administrative Law Judge to enter a Proposal for Decision recommending that the Commissioner of Insurance issue an order:

1. revoking Hudson's license;
2. directing Hudson to pay an administrative penalty under TEX. INS. CODE §§ 84.021-84.044;
3. directing Hudson to pay restitution to ePayPolicy;
4. directing Hudson to cease and desist conducting the business of insurance under the name Hudson Asset Management Inc., an unlicensed entity; and
5. imposing any other just and appropriate relief to which the Department may be entitled to by law, including any combination of the above actions.

Respectfully Submitted,



Stephanie Daniels
State Bar No. 24107343
Texas Department of Insurance
Enforcement Division, MC110-1A
P.O. Box 149104
Austin, Texas 78714-9104
(512) 676-6334 (Direct)
(512) 490-1020 (Fax)
Stephanie.Daniels@tdi.texas.gov

ATTORNEY FOR THE PETITIONER
TEXAS DEPARTMENT OF INSURANCE

2020-6597



EXHIBIT

C

exhibitsticker.com

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: 09/10/2020

Shipped From:

Name: MC 110-1A D MORENO

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	3
Total	3

*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 0024 0506 91

daniels/18433



Firm Mailing Book For Accountable Mail

Name and Address of Sender

MC 110-1A D Moreno
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

USPS Tracking/Article Number

1. 9214 8901 9403 8320 6637 03
2. 9214 8901 9403 8320 6639 25
3. 9214 8901 9403 8320 6641 13

daniels/18433

Addressee (Name, Street, City, State, & ZIP Code™)

- TYRONE TREMAINE HUDSON [REDACTED] HOUSTON TX 77056
- TYRONE TREMAINE HUDSON [REDACTED] HOUSTON TX 77056
- TYRONE TREMAINE HUDSON PO Box 1615 HOUSTON TX 77251-1615

Total Number of Pieces Listed by Sender
3

Postmaster, Per (Name of receiving employee)

Affix Stamp Here

(for additional copies of this receipt).
Postmark with Date of Receipt.

2020-6597














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	Special Handling Fee
1.40	3.55								1.70			
1.40	3.55								1.70			
1.40	3.55								1.70			
		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

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Tracking History

Tracking #: 9214890194038320664113

Recipient: TYRONE TREMAINE HUDSON
PO Box 1615
HOUSTON TX 77251-1615

Date & Time	Event Type	Event	Event Location
09/10/2020 12:31		PRE-SHIPMENT INFO SENT USPS AWAITS ITEM	AUSTIN,TX, 78701
09/10/2020 21:43		ORIGIN ACCEPTANCE	AUSTIN,TX, 78701
09/10/2020 22:58		PROCESSED THROUGH USPS FACILITY	AUSTIN,TX, 78710
09/11/2020 09:02		DEPART USPS FACILITY	AUSTIN,TX, 78710
09/11/2020 11:41		PROCESSED THROUGH USPS FACILITY	NORTH HOUSTON,TX, 77315
09/14/2020 10:10		ARRIVAL AT UNIT	HOUSTON,TX, 77202
09/14/2020 10:14		AVAILABLE FOR PICKUP	HOUSTON,TX, 77210
09/14/2020 13:57		DELIVERED	HOUSTON,TX, 77210
09/18/2020 15:16		PROCESSED THROUGH USPS FACILITY	NORTH HOUSTON,TX, 77315
09/20/2020 09:10		PROCESSED THROUGH USPS FACILITY	NORTH HOUSTON,TX, 77315
09/22/2020 13:17		PROCESSED THROUGH USPS FACILITY	AUSTIN,TX, 78710
09/23/2020 00:33		PROCESSED THROUGH USPS FACILITY	AUSTIN,TX, 78710
09/23/2020 10:25		DELIVERED FRONT DESK/RECEPTION/MAIL ROOM	AUSTIN,TX, 78701