

No. **2026-10115**

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

Date: 09/11/2026

Subject Considered:

Fidelity Security Life Insurance Company
P.O. Box 418131
Kansas City, MO 64141-8131

Consent Order
TDI Enforcement File No. 38241

General remarks and official action taken:

This is a consent order with Fidelity Security Life Insurance Company (FSLIC). For more than eight years, FSLIC paid commissions and compensation to a formerly licensed corporation and person for agent acts that did not occur while either was licensed. Specifically, FSLIC paid them compensation for new and renewal insurance policies solicited and sold by Texas licensed agents. FSLIC represents it has ceased the conduct, and agrees to pay an administrative penalty of \$125,000.

Waiver

FSLIC acknowledges that the Texas Insurance Code and other applicable law provide certain rights. FSLIC waives all of these rights, and any other applicable procedural rights, in consideration of the entry of this consent order.

Findings of Fact

1. FSLIC is a foreign life, accident, and health insurer authorized to do business in Texas.

Background on Interstate Specialty Marketing, Inc. and Gary Stephen Hendricks

2. For more than 26 years, FSLIC has been in a contractual relationship with Interstate Specialty Marketing, Inc. (ISM).
3. TDI records show that ISM, under firm identification number 56041, held a non-resident third-party administrator (TPA) certificate of authority with TDI from May 5, 1994, until April 6, 2018, when ISM voluntarily surrendered that certificate of authority.
4. Throughout the time ISM held its TPA authority and to date, Gary Stephen Hendricks (Hendricks), individual identification number 194972, was ISM's sole owner, officer, and director.
5. TDI records show Hendricks held a general lines agent license with a life, accident, health, & HMO qualification with TDI from April 11, 1994, until April 11, 2014, when it expired due to a failure to renew.
6. Since the surrender and expiration of their respective authority and license, neither ISM nor Hendricks have held any other active license or authorization to engage in any business of insurance in Texas, and neither of them is exempt or excepted from licensure or authorization.

Payment of Commissions and Unauthorized Insurance

7. While ISM was still an authorized TPA in 1998, FSLIC executed an Administrative and Marketing Services Agreement with ISM, under which ISM agreed to perform TPA services for FSLIC including premium collection on FSLIC policies written in Texas. The contract and authorized duties changed several times over the following years.
8. After ISM surrendered its authority, the contract changed at least twice, including on June 1, 2021, when it last changed to a Marketing Services Agreement (the Marketing Services Agreement).
9. The Marketing Services Agreement states that ISM is responsible for the following duties:

- a. recruiting and recommending qualified agents/producers for appointment by FSLIC;
 - b. ensuring agents/producers have secured the necessary licenses and licensing information for any such appointments, including payment of all appointment, renewal, and termination fees;
 - c. training, managing, supervising, and overseeing appointed agents and producers, including specifically maintaining responsibility for the acts and omissions of agents and any other person under ISM's control who is engaged directly or indirectly in activities relating to the solicitation and sale of policies; and
 - d. notifying FSLIC of agents/producers who should not be renewed.
10. The Marketing Services Agreement also requires FSLIC to pay ISM commissions for certain duties and responsibilities, including:
 - a. promoting the marketing of selected policies;
 - b. calculating and paying all commissions and fees to agents, producers, and sub-agents;
 - c. making any necessary income tax reporting or withholding required in connection with such commission payments; and
 - d. tracking agent's and producer's indebtedness to FSLIC.
11. For more than eight years, Hendricks and ISM have acted under the Marketing Services Agreement, engaging in agent acts in Texas without holding any licenses to do so, specifically recruiting Texas licensed agents to solicit and write insurance business for FSLIC for which FSLIC paid ISM.
12. Since 2018, FSLIC has paid ISM at least \$456,666.66 in commissions and compensation under the Marketing Services Agreement. During this time, ISM remained under Hendricks' control. Hendricks and ISM then remitted and disbursed some of that compensation to Texas licensed agents under their supervision who solicited and wrote insurance business for FSLIC.

2026-10115

Commissioner's Order

Fidelity Security Life Insurance Company

Page 4 of 6

13. On August 26, 2025, Hendricks informed TDI that FSLIC intended to terminate the Marketing Services Agreement with ISM, effective December 31, 2025. He also represented that he intended to stop marketing and selling insurance products in Texas.
14. On December 1, 2025, FSLIC confirmed the termination of the Marketing Services Agreement, effective December 31, 2025. FSLIC additionally represents that it ceased paying compensation to ISM for new sales prior to December 31, 2025, and for renewals after that date.

Conclusions of Law

1. The commissioner has jurisdiction over this matter under TEX. INS. CODE §§ 82.051–82.055, 84.021–84.044, 101.001 *et seq.*, 801.051–801.054, and 4005.053.
2. The commissioner has the authority to informally dispose of this matter as set forth in TEX. GOV'T CODE § 2001.056, and TEX. INS. CODE §§ 36.104 and 82.055.
3. FSLIC has knowingly and voluntarily waived all procedural rights to which it may have been entitled regarding the entry of this order, including, but not limited to, issuance and service of notice of intention to institute disciplinary action, notice of hearing, a public hearing, a proposal for decision, rehearing by the commissioner, and judicial review.
4. FSLIC violated TEX. INS. CODE § 4005.053(a) by paying commissions or compensation to an unlicensed entity and person for insurance policies solicited and sold by Texas licensed agents.
5. FSLIC violated TEX. INS. CODE § 101.102 by directly and/or indirectly assisting ISM and Hendricks engage in the unauthorized business of insurance in Texas.

2026-10115

Commissioner's Order

Fidelity Security Life Insurance Company

Page 5 of 6

Order

It is ordered that Fidelity Security Life Insurance Company pay an administrative penalty of \$125,000 within 30 days from the date of this order. The administrative penalty must be paid as instructed in the invoice, which the department will send after entry of this order.

Signed by:

Amanda Crawford

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Amanda Crawford

Commissioner of Insurance

Recommended and reviewed by:

Leah Gillum

Leah Gillum, Deputy Commissioner
Fraud and Enforcement Division

Kaycee Crisp

Kaycee Crisp, Staff Attorney
Enforcement

Affidavit

STATE OF Missouri §

§

COUNTY OF Jackson §

Before me, the undersigned authority, personally appeared Bryson L. Jones,
who being by me duly sworn, deposed as follows:

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

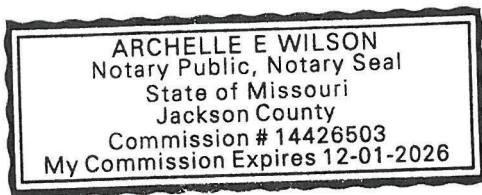
I hold the office of President and am the authorized representative of Fidelity Security
Life Insurance Company. I am duly authorized by said organization to execute this
statement.

Fidelity Security Life Insurance Company has knowingly and voluntarily entered into the
foregoing consent order and agrees with and consents to the issuance and service of the
same by the commissioner of insurance of the state of Texas."

Bryson L. Jones
Affiant

SWORN TO AND SUBSCRIBED before me on August 26, 2026.

(NOTARY SEAL)



Archelle E. Wilson
Signature of Notary Public
Archelle E. Wilson
Printed Name of Notary Public