

No. **2026-9955**

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

Date: 06/02/2026

Subject Considered:

Strategic Limited Partners LP
1452 Hughes Road Suite 200
Grapevine, Texas 76051

TDI Enforcement File No. 33489

Order on Notice of Rehearing

General Remarks and Official Action Taken:

The subject of this order is the request for rehearing in a notice of rehearing filed by Strategic Limited Partners LP (Strategic Limited) in response to Commissioner's Order No. 2026-9881. This order denies Strategic Limited's request for a rehearing.

Background

On April 8, 2026, Commissioner's Order No. 2026-9881 was issued, requiring Strategic Limited to cease and desist from the unauthorized business of insurance and requiring Strategic Limited to pay restitution of all premiums paid and all unpaid claims incurred by any Texas consumers who purchased its products from October 13, 2021, through the date of the order.

The order was issued following the failure of Strategic Limited to respond to the notice of allegations sent to Strategic Limited by Texas Department of Insurance (TDI) Enforcement staff under 28 Texas Administrative Code § 1.47.

Strategic Limited sent a notice of rehearing to TDI by email on May 4, 2026. In its notice of rehearing, Strategic Limited said that it did not respond to the notice of allegations because it had ceased taking on new limited partners by June 2024 and ceased all business operations in November 2025, and the attorney the notice was sent to no longer represented it. Its failure to respond was the result of "an administrative

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disconnect," rather than an intentional relinquishment of its procedural rights, so there was no waiver. And because there was no waiver, rehearing is warranted.

Strategic Limited also disputed the allegation in the notice Enforcement sent that it engaged in unauthorized acts of insurance. It argued that while it was engaged in business, it sponsored an employee benefit plan governed by ERISA, providing benefits on a self-insured basis with no insurer underwriting the plan. It also reiterated that it ceased taking on new limited partners by June 2024 and ceased all business operations in November 2025.

TDI Enforcement staff submitted a reply to Strategic Limited's notice of rehearing on May 14, 2026.

In its reply, TDI Enforcement staff argued that Strategic Limited did not explain how its failure to respond to the notice of allegations was neither intentional nor result of conscious indifference. TDI started investigating Strategic Limited in 2023. In February 2024, Strategic Limited provided notice that it was represented by the attorney to whom the notice of allegations was sent, and TDI Enforcement staff communicated with the attorney multiple times regarding the matter. The notice of allegations was also sent to the last known mailing address TDI Enforcement staff had for Strategic Limited. Strategic Limited now claims that its failure to respond was due to "an administrative disconnect," since Strategic was no longer operating and it was no longer represented by that attorney, but it provided no further support or any evidence that its failure to respond to the notice of allegations was by accident or mistake.

Discussion

Under 28 Texas Administrative Code § 1.47(d), a party may file a motion to set aside a default order and reopen the record, and the motion will be granted if the requesting party establishes that the failure to file a written response to a notice of allegations was neither intentional nor the result of conscious indifference, and that such failure was due to a mistake or accident.

Under Government Code § 2001.146, a motion for rehearing must be filed no later than the 25th day after the date the order is signed unless an extension is granted. The motion must identify with particularity findings of fact or conclusions of law that are the subject of the complaint and any evidentiary or legal ruling claimed to be erroneous. The motion must also state the legal and factual basis for the claimed error.

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In its notice of rehearing, Strategic Limited asserted that its failure to respond to TDI Enforcement staff's notice of allegations was the result of "an administrative disconnect" rather than an intentional relinquishment of its procedural rights. But, as TDI Enforcement staff observed, Strategic Limited provided no further explanation that its failure to respond to the notice of allegations was by accident or mistake, rather than by intent or conscious indifference.

TDI Enforcement staff had been in contact with Strategic Limited's attorney multiple times regarding the matter prior to sending the notice of allegations. The notice of allegations was sent to this attorney and to the last known mailing address TDI Enforcement staff had for Strategic Limited. At a minimum, Strategic Limited's failure to notify Enforcement when it changed attorneys or to provide a new address or any other way to communicate was a conscious indifference to the matter that Strategic Limited failed to refute.

Order

It is ordered that Strategic Limited Partners LP's request for a rehearing in its notice of rehearing is denied and Commissioner's Order No. 2026-9881 is final.

Signed by:

Amanda Crawford

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Amanda Crawford
Commissioner of Insurance

Recommended and reviewed by:

Signed by:

Jessica Barta

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Jessica Barta, General Counsel

Signed by:

Justin Beam

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Justin Beam, Chief Clerk