

STATE OF MICHIGAN
DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES

Before the Director of the Department of Insurance and Financial Services

In the matter of:

Department of Insurance and Financial Services

Docket No. 13-008129-DIFS

Petitioner,

Case No. 11-11337

v

Agency No. 13-927-L

Bader Company
an Indiana Corporation
System ID No. 0035461

Robert Bader
System ID No. 0027941

Maureen Lee
System ID No. 0536018

Amy Sobiski
System ID No. 0552741

Carlos Timothy Parnell
System ID No. 0568699

Jon Padgett

Respondents.

Issued and entered
on December 19, 2013
by Teri L. Morante
Chief Deputy Director

ORDER DISMISSING COMPLAINT AGAINST INDIVIDUAL RESPONDENTS

Based upon the Stipulation to Entry of Order (Stipulation), Order Accepting Stipulation (Order), and the files and records of the Department of Insurance and Financial Services (DIFS¹) in this matter, the Chief Deputy Director finds and concludes the following:

1. The Chief Deputy Director has jurisdiction and authority to adopt and issue this Order Dismissing Complaint Against Individual Respondents in this proceeding pursuant to the Michigan Administrative Procedures Act of 1969 (APA), as amended, MCL 24.201 et seq., and the Michigan Insurance Code of 1956 (Code), MCL 500.100 et seq.
2. All required notices have been issued in this case, and the notices and service thereof were appropriate and lawful in all respects.
3. All applicable provisions of the APA have been met.

FINDINGS

4. Bader Company (Respondent Bader) is an Indiana corporation. Its principal place of business is located at 9777 N. College Ave. Indianapolis, IN 46280. Bader is currently licensed as a nonresident insurance producer agency in the state of Michigan. System I.D. 0035461. Bader holds a qualification to solicit, sell and negotiate in the lines of property and casualty.
5. Robert Bader (R.Bader) previously served as President of Bader. R. Bader is currently licensed as a nonresident insurance producer in the state of Michigan. His license is currently suspended for noncompliance with continuing education requirements. System I.D. 0027941.
6. Maureen Lee (Lee) serves as current President of Bader. She also serves as the designated responsible licensed producer (DRLP) for Bader. Lee is currently licensed as a nonresident insurance producer in the state of Michigan with qualifications in property and casualty. System I.D. 0536018.
7. Amy Sobiski (Sobiski) serves as current Vice President/COO of Bader. She is currently licensed as a nonresident adjuster for the insured in the state of Michigan. System I.D. 0552741.
8. Carlos Timothy Parnell (Parnell) serves as current Marketing Director of Bader. He is currently licensed as a nonresident insurance producer in the state of Michigan with qualifications in property and casualty. System I.D. No 0568699.
9. Jon Padgett (Padgett) served as Compliance Manager of Bader. Padgett is not currently licensed as an insurance producer in the state of Michigan.

¹ After this case began, Governor Rick Snyder transferred the authority, powers, duties, functions, and responsibilities of the Commissioner of the Office of Financial and Insurance Regulations to the Director of the Department of Insurance and Financial Services by Executive Order 2013-1, effective March 18, 2013.

10. R.Bader, Lee, Padgett, Sobiski and Parnell are collectively referred to herein as Individual Respondents.
11. On March 29, 2011, DIFS received a consumer complaint alleging that Respondent Bader was offering insurance products to Michigan consumers through unlicensed personnel located at self-storage leasing companies and providing "kickbacks" and/or paying unauthorized commissions to those storage companies for assisting in the sale of insurance products.
12. On August 14, 2013, DIFS filed a formal Complaint against Respondents alleging several violations of the Code.
13. Respondent Bader thereafter signed a Stipulation to Entry of Order wherein it agreed to change its self-storage insurance program to bring it into compliance with Michigan law, including that self-storage facility owners or employees of the same will not solicit, negotiate or sell insurance to tenants unless licensed as required under the Code. Respondent Bader further agreed that it will not pay any administrative fees, rebates, reimbursements, fees, charges or other valuable consideration to self-storage facility owner/policyholders unless approved by DIFS.
14. On *12/19/13* DIFS' Chief Deputy Director entered an Order Accepting Stipulation finding that Respondent Bader had violated the insurance laws of the State of Michigan and imposing a \$50,000 market conduct fee and requiring changes to Bader's self-storage insurance program to bring it into compliance with Michigan law.

NOW THEREFORE, based upon the Stipulation to Entry of Order, the Order Accepting Stipulation, and the facts surrounding this case, **IT IS ORDERED THAT:**

1. The Complaint is hereby dismissed as to the Individual Respondents.
2. The Chief Deputy Director retains jurisdiction over the matters contained herein and has the authority to issue such further orders as shall be deemed just, necessary, and appropriate in accordance with the Code. Failure to abide by the terms and provisions of the Stipulation to Entry of Order, the Order Accepting Stipulation, and this Order may result in the commencement of additional proceedings.

DEPARTMENT OF INSURANCE
AND FINANCIAL SERVICES


Teri L. Morante
Chief Deputy Director