

**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
Petitioner,

Enforcement Case No. 24-17919

v

Saunders Insurance Services, LLC
System ID No. 0123137
Respondent.

ISSUED AND ENTERED

**on January 16, 2025
by Joseph A. Garcia
Special Deputy Director and General Counsel**

FINAL DECISION

I. INTRODUCTION

Saunders Insurance Services, LLC (Respondent) is a licensed resident insurance producer agency. This matter involves allegations that Respondent violated the Insurance Code, MCL 500.100, et seq. (Code), by failing to respond to inquiries from the Department of Insurance and Financial Services (DIFS) (Petitioner).

Following DIFS' investigation into a consumer complaint concerning Respondent, DIFS staff sent an initial inquiry to Respondent's email of record on February 15, 2024. On March 14, 2024, after not having received a response from Respondent, DIFS staff issued to Respondent a Notice of Opportunity to Show Compliance (NOSC) detailing the allegations and providing Respondent with an opportunity to respond to those allegations. Respondent did not avail himself of the opportunity and compliance was not otherwise shown.

On October 21, 2024, DIFS issued to Respondent an Administrative Complaint and Statement of Factual Allegations (Complaint) offering the Respondent an opportunity to participate in a formal administrative hearing regarding the alleged Code violations. The Complaint contained a section entitled "Opportunity for Hearing," which stated the following:

IF YOU, AS THE RESPONDENT, WISH TO REQUEST AN ADMINISTRATIVE HEARING AS DESCRIBED ABOVE, YOU MUST DO SO BY FILING A REQUEST FOR HEARING WITHIN TWENTY-ONE DAYS OF THE DATE OF THIS NOTICE. FAILURE TO REQUEST SUCH A HEARING MAY RESULT IN THE FACTS ASSERTED IN THIS COMPLAINT

BEING ACCEPTED AS TRUE BY THE DIRECTOR AND THE IMMEDIATE ISSUANCE OF AN INTERIM ORDER IMPOSING SANCTIONS AGAINST YOU WITHOUT FURTHER OPPORTUNITY TO BE HEARD.

Respondent did not submit a request for hearing in the manner specified in the Complaint. Given Respondent's failure to request a hearing, the unchallenged allegations in the Complaint are accepted as true. Based on the Complaint, the Director of DIFS (Director) makes the following Findings of Fact and Conclusions of Law.

II. FINDINGS OF FACT

The unchallenged factual allegations in the Complaint's Statement of Factual Allegations are accepted as true and restated below.

1. At all relevant times, Respondent was a licensed resident insurance producer agency.
2. On January 12, 2024, DIFS received a complaint from a consumer. The complainant contacted Respondent's Designated Responsible Licensed Producer (DRLP) to cancel her automobile insurance policy. However, the policy was not cancelled, and premium was still deducted from her account. The complainant made multiple attempts to contact Respondent to find out why premium was deducted after cancellation. After receiving no response, the complainant filed a complaint with DIFS.
3. On February 15, 2024, DIFS staff sent an initial inquiry correspondence to Respondent's email of record. An expired email notice was received by DIFS staff on March 16, 2024.
4. On March 14, 2024, DIFS staff emailed a Notice of Opportunity to Show Compliance (NOSC) to Respondent's email address of record, which Respondent is required to keep current. No response was received. The NOSC was also mailed to Respondent's mailing address of record, which was returned on May 6, 2024, as unclaimed by Respondent. No response was received.
5. On March 29, 2024, DIFS staff telephoned Respondent at two different phone numbers on record with DIFS. DIFS staff left voicemail messages at both numbers. No response was received.

III. CONCLUSIONS OF LAW

The unchallenged conclusions of law contained in paragraphs seven through nine of the Complaint's Statement of Factual Allegations are accepted as true and restated below.

1. As a licensee, Respondent knew or should have known that Section 249(a) of the Code, MCL 500.249(a), grants power to DIFS to examine licensees and review records for the purposes of ascertaining compliance with the provisions of the insurance laws of the state. By failing to respond to DIFS' inquiries, Respondent has violated Section 249(a) of the Code, MCL 500.249(a).

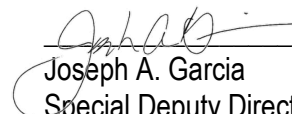
2. As a licensee, Respondent knew or should have known that Section 1239(2)(e) of the Code, MCL 500.1239(2)(e), provides that Respondent may be sanctioned for violating any insurance laws. As set forth above, and in the Complaint, Respondent has violated Section 249(a) of the Code, and, thus, has provided justification for sanctions pursuant to Section 1239(2)(e) of the Code, MCL 500.1239(2)(e).

IV. ORDER

Therefore, it is **ORDERED** that:

1. Respondent is in default in this matter and all allegations contained in the Complaint are accepted as true in all respects.
2. Respondent shall immediately **CEASE** and **DESIST** from violating the Code.
3. Pursuant to Sections 150 and 1244 of the Code, MCL 500.150 and MCL 500.1244, Respondent shall pay to the State of Michigan a civil fine in the amount of \$1,000.00.
4. Pursuant to Sections 150 and 1244 of the Code, MCL 500.150 and MCL 500.1244, Respondent's insurance producer agency license (System ID No. 0123137) is **SUSPENDED**, commencing the day following the issuance of this Final Decision, until Respondent has satisfactorily responded in writing to DIFS' initial inquiry of February 15, 2024, and paid the \$1,000.00 fine.
5. Should Respondent fail to comply with this Order within thirty (30) days of the date of this Final Decision, a Final Decision revoking Respondent's license will be issued.

Anita G. Fox, Director
For the Director:



Joseph A. Garcia
Special Deputy Director and General
Counsel