

**STATE OF MICHIGAN
DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES**

Before the Director of the Department of Insurance and Financial Services

In the matter of:

**Kuefler Resources, LLC
Matt Kuefler
Jason Ammerman**

Enforcement Case No. 21-16344

Respondents.
_____ /

**Issued and entered
on May 26, 2021
by Randall S. Gregg
Senior Deputy Director**

**ORDER TO CEASE AND DESIST WITH STATEMENT OF FINDINGS
AND NOTICE OF OPPORTUNITY FOR HEARING**

Pursuant to Section 251 of the Michigan Insurance Code (Code), MCL 500.251, and after reviewing evidence of the conduct described in the attached Statement of Findings, and

WHEREAS, the Director of the Department of Insurance and Financial Services finds that immediate action is necessary and appropriate in the public interest for the protection of the public health, safety, and welfare, and consistent with the purposes fairly intended by public policy and provisions of the Code,

IT IS THEREFORE ORDERED THAT:

1. The Respondents shall immediately **CEASE AND DESIST** from all activities in violation of the Code as described in the Statement of Findings.
2. A copy of this Order shall be immediately served upon Respondents and shall be effective upon the date of service.
3. Respondents have 30 calendar days after the service of this Order to contest it by requesting a hearing. Within 10 calendar days after receiving the request, the hearing process shall commence. This Order shall remain in effect until further order of the Director. Any request for a hearing should be addressed to the Department of Insurance and Financial Services, Attention: Valerie Donally, Hearings Coordinator, P.O. Box 30220, Lansing, MI 48909-7720 or faxed to 517-284-8843.
4. Any such hearing held shall address the following issues:

- a. The facts set forth in the Statement of Findings.
 - b. The continuation of the Order to Cease and Desist.
 - c. Restitution to be paid by the Respondents.
5. If a hearing is requested, an administrative law judge from the Michigan Administrative Hearing System shall preside over any such hearing.
6. The Director retains jurisdiction of the matters contained herein and the authority to issue such further Orders as shall be deemed just, necessary, and appropriate.
7. Pursuant to Section 251(6) of the Code, MCL 500.251(6), a person who violates or otherwise fails to comply with an Order to Cease and Desist is subject to one or more of the following:
- a. Payment of a civil fine of not more than \$1,000 for each violation not to exceed an aggregate civil fine of \$30,000. However, if the person knew or reasonably should have known the conduct was in violation of the cease and desist order, the person shall be subject to a civil fine of not more than \$25,000 for each violation not to exceed an aggregate civil fine of \$250,000.
 - b. Suspension or revocation of the person's license or certificate of authority.
 - c. Complete restitution, in the form, amount, and within the period determined by the Director, to all persons in Michigan damaged by the violation or failure to comply.



Randall S. Gregg
Senior Deputy Director

**STATE OF MICHIGAN
DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES**

Before the Director of the Department of Insurance and Financial Services

In the matter of:

**Kuefler Resources, LLC
Matt Kuefler
Jason Ammerman**

Enforcement Case No. 21-16344

Respondents.

_____ /

STATEMENT OF FINDINGS

1. Pursuant to Section 251(1) of the Michigan Insurance Code (Code), MCL 500.251(1), the Director of the Department of Insurance and Financial Services (DIFS) is empowered to issue a cease and desist order if the Director finds any of the following:
 - (a) A person is conducting transactions of insurance for which a certificate of authority is required by this act without having obtained a certificate of authority.
 - (b) A person is acting as an insurance agent, solicitor, adjuster, or counselor without a license as required by this act.
 - (c) A person is engaged in an act or practice in the business of insurance for which authority from or notification to the commissioner is required by this act and the person has not received authority or given notification.
 - (d) A person authorized to engage in the business of insurance under this act is engaged in conduct that presents an immediate danger to public health, safety, or welfare. MCL 500.251(1).
2. Section 1222(1) of the Code, MCL 500.1222(1), provides that “[a] person shall not adjust loss or damage under a policy of insurance or advertise, solicit business, or hold himself or herself out to the public as an adjuster unless he or she is licensed as an adjuster.”
3. At all relevant times, Respondent Kuefler Resources, LLC (Kuefler Resources) was not registered as an adjusting firm in the state of Michigan to adjust loss or damage under a policy of insurance or to advertise, solicit business, or hold itself out to the public as an adjuster.
4. At all relevant times, Respondent Matt Kuefler (Kuefler) was not licensed in the state of Michigan to adjust loss or damage under a policy of insurance or to advertise, solicit business, or hold himself or herself out to the public as a public adjuster.

5. At all relevant times, Respondent Jason Ammerman (Ammerman) was not licensed in the state of Michigan to adjust loss or damage under a policy of insurance or to advertise, solicit business, or hold himself or herself out to the public as an adjuster.
6. Respondent Ammerman was a licensed non-resident adjuster from January 11, 2019, to March 18, 2020, but this time period is outside of the relevant times concerning this matter.
7. Respondent Kuefler Resources, LLC, Respondent Matt Kuefler, and Respondent Jason Ammerman are hereafter collectively referred to as Respondents.
8. Section 1222(2) of the Code, MCL 500.1222(2), provides that “The following are exempt from licensure under subsection (1):
 - (a) A person admitted to the practice of law in this state.
 - (b) A marine average adjuster.
 - (c) An employee or manager of an authorized insurer adjusting loss or damage under a policy issued by the insurer.
 - (d) A licensed insurance producer to whom claim authority has been granted by an insurer.
 - (e) An individual who collects claim information from, or furnishes claim information to, insureds or claimants, and who conducts data entry including entering data into an automated claims adjudication system, if the individual is under the supervision of 1 or more licensed independent adjusters or an individual who is exempt from licensure under subdivision (c). As used in this subdivision, “automated claims adjudication system” means a preprogrammed computer system designed for the collection, data entry, calculation, and final resolution of portable consumer electronic insurance claims.
9. At all relevant times, Respondents were not exempt under Section 1222(2) of the Code, MCL 500.1222(2).
10. Section 1226(1) of the Code, MCL 500.1226(1), provides that “An adjuster for an insured shall not employ a person to aid, directly or indirectly, in soliciting or adjusting a loss and shall not offer or pay a fee, commission, or other valuable consideration to a person to aid, directly or indirectly, in soliciting or adjusting a loss unless the adjuster regularly employs that person to so act for him or her and that person is licensed to act as an adjuster by the commissioner.”
11. Respondent Kuefler, on behalf of Respondent Kuefler Resources, hired Respondent Ammerman to provide adjuster services for the Complainant’s insurance claim.
12. On or about March 31, 2020, DIFS received a consumer complaint from E.R. (Complainant) against State Farm Insurance Company (State Farm) regarding a claim for her rental dwelling. While investigating the complaint, DIFS discovered a contract between the Complainant and Respondent Kuefler Resources and Respondent Kuefler. The contract identified Respondent Kuefler Resources

as performing work as Project Manager, Assignee, or Trustee of Complainant living trust, but the contract language indicates they were operating as a public adjuster for the Complainant.

13. The Contract provides in pertinent part the following:

“THIS AGREEMENT is made on the 30th day of July in the year 2018.
BY AND BETWEEN

[Complainant] Hereinafter called the “Owner” AND Kuefler Resources, LLC hereinafter called the
“Project Manager” “Assignee” or “Agent.”

WITNESSETH: that the Owner and Project Manager, Assignee, Agent undertake and agree as follows:”

“ARTICLE A-1 THE WORK – See Xatware 22-3708-M03 generated 7/11/2018 by State Farm

The Program Manager shall

(a) Hire/Fire/supervise all parties tasked with claim settlement covering the following areas of State Farm claim #223708M03.

1. Mitigation
2. Exterior Repair
3. Interior Repair

(b) Hire/Fire third parties such as but not limited too:

- a. Certified Public Accountant
- b. Home Inspector(s)
- c. Licensed Adjuster(s)
- d. Engineer(s)
- e. Attorney(s)”

“ARTICLE A-4 PAYMENT

(a) Subject to applicable legislation and, where such legislation does not exist or apply, in accordance with such prescribed regulations or industry practice respecting holdback percentages and in accordance with the provisions of the Contract, the Owner shall Disclose Cost(s); Project Manager shall manage funds and disburse after recapture. All additional adjustments will be mailed to Kuefler Resources, LLC. Net disbursement’s will be made after any third party or applicable fees are assessed.”

“ARTICLE A-5

Kuefler Resources, LLC is hereby given authorization by the owner to supplement/negotiate the reasonable price of the loss with any insurance carrier. This includes but is not limited to the construction standard, worker safety, building code, material manufacturer recommendation, permit, or inspection during the replacement of any item. Acting as the assigned agent of the owner Kuefler Resources, LLC shall have the right to be pursuing applicable service cost(s) against any party who does not respect this agreement including any claim settlement costs if warranted.”

“ARTICLE A-9 CANCELLATION

Contract maybe cancelled at a cost of \$100.00 per hour of time spent by Matt Kuefler + all third party cost retroactive since engaging in any work. This includes Kuefler Resources document preparation, inspections, meetings, phone and email with all parties any legal cost(s) for enforcing this agreement. Separate Fees include engineering, umpire and adjuster hours.”

14. The Contract further provides, in pertinent part, the following:

“Authorization to invoke appraisal:
Kuefler Resources, LLC
11815 S Shannan St, #213 Olathe KS 66062
Matt Kuefler 913-951-1247

The following agreement and contract is for the work requested to be performed while appraising the value of repair for damages, per policy directives, for the following claim:

State Farm Claim #223708M03

Policy# 92-62-2174-9

The payee undersigned agrees to pay Kuefler Resources, LLC the sum of \$100 per hour, rounded to the next quarter hour, for all time spent on this appraisal; which is to include travel time to and from location of loss, evaluating the cost of damages on site, developing a line by line estimate of said damages, communications, and research regarding these values with all parties; as well as all communications with the appraisal panel. All time spent working on this appraisal will be tallied and submitted as invoice for full payment once an agreed value for appraisal is reached with the panel. Full amount is due regardless of total appraisal amount, this arrangement allows the appraiser to be "A disinterested party" as specified in policy language.

Appraisal amount may be less than the amount requested by the repair contractor for repair. Full amount of this invoice will be due within 30 days of receipt of invoice

regardless of total appraisal amount. Invoices paid later than 30 days will accrue 1.5% interest monthly.

The payee undersigned understands that they must also pay half of the appraisal umpire's fee directly; per the umpire's agreement. The umpire's fee is NOT included in the \$100 per hour fee charged by Kuefler Resources, LLC or assigned party on this appraisal.

Appraisal is often a lengthy process; no promise can be made by Kuefler Resources, LLC as to when the appraisal process will be complete. If this appraisal is cancelled by the payee, this agreement will still be in force for all time spent on the appraisal up to the date of cancellation by the payee.”

15. The Contract further provides, in pertinent part, the following:

Client Certification and Authorization

Certification

“The undersigned certify the following:

1. I/We have hired Kuefler Resources In doing so, I/we have signed a contract with Kuefler Resources to perform services for us. We have provided Kuefler Resources private information that may need to be verified in order for them complete their assigned tasks. This may include but is not limited to, employment and income information, assets and liabilities, credit reports and insurance information.
2. I/We certify that all of the information is true and complete.
3. I/We made no misrepresentations, nor did I/We omit any pertinent information.”

16. The Contract further provides, in pertinent part, the following:

Disclosure

“Please be advised that Kuefler Resources will be managing the funds on your project. Subcontractor contractors and general contractors have an agreement with Kuefler Resources to manage the funds and make disbursements.

These subcontractors include adjusters, engineers, attorneys and general contractors. These will be discussed as needed prior to engagement.

Payments will be made out of deposit after discussion. These funds are held by a Certified Public Accountant.

State Farm Claim #223708M03”

17. After its investigation and its review of the documents provided by Respondents and State Farm, DIFS concluded that Respondents were operating as public adjusters without being licensed or registered.
18. Based on the aforementioned findings, Respondents are acting as an insurance adjuster without a license or registration, as required by the Code.
19. Respondents violated Sections 1222(1) and 1226(1) of the Code, MCL 500.1222(1) and 500.1226(1), by conducting adjusting activities without an adjuster license. Respondent is thus subject to sanctions under Section 1244(1) of the Code, MCL 500.1244(1).