

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

**Before the Director of the Department of Insurance and Financial Services**

**Department of Insurance and Financial Services**

**Enforcement Case No. 21-16591**

**Agency No. 21-017-L**

Petitioner,

**v**

**Sarah Adams**

System ID No. 0708805

Respondent.

---

**ISSUED AND ENTERED**

**on January 24, 2022  
by Randall S. Gregg  
Senior Deputy Director**

**INTERIM ORDER**

**I. Background**

Sarah Adams (Respondent) is a licensed nonresident insurance producer. The Department of Insurance and Financial Services (DIFS) received information that Respondent failed to respond to a letter of inquiry from DIFS regarding a June 21, 2021, consumer complaint filed against Respondent. After an investigation and verification of the information, on August 11, 2021, DIFS issued a Notice of Opportunity to Show Compliance (NOSC) alleging that Respondent had provided justification for revocation of licensure and other sanctions pursuant to Sections 1239(1)(g), 1239(2) and 1244(1)(a-d) of the Michigan Insurance Code (Code), MCL 500.1239(1)(g), 500.1239(2) and 500.1244(1)(a-d). Respondent failed to reply to the NOSC.

On October 4, 2021, DIFS issued an Administrative Complaint, Order for Hearing, and Notice of Hearing which was served upon Respondent at the address she is required to maintain with DIFS. The Order for Hearing required Respondent to take one of the following actions within 21 days: (1) agree to a resolution of the case, (2) file a response to the allegations with a statement that Respondent planned to attend the hearing, or (3) request an adjournment. Respondent failed to take the required action.

On December 6, 2021, DIFS staff filed a Motion for Interim Order. Respondent did not file a reply to the motion.

## II. Findings of Fact and Conclusions of Law

1. Respondent is a licensed nonresident producer with qualifications in accident and health, and life, and her license is currently active.
2. On or about June 21, 2021, DIFS staff received a consumer complaint from S.T. stating that Respondent enrolled S.T. and her husband in numerous insurance policies without their knowledge or authorization.
3. On July 19, 2021, DIFS staff sent an inquiry to Respondent's email address on file with DIFS requesting a response to the consumer complaint. No response was received.
4. On August 11, 2021, an NOSC was emailed to Respondent at the email address and the mailing address on file with DIFS. No response was received.
5. On August 23, 2021, Respondent contacted DIFS staff by telephone regarding the August 11, 2021, NOSC. DIFS staff left a voicemail requesting a response to the complaint. No response was received.
6. As a licensee, Respondent knew or had reason to know 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.
7. As a licensee, Respondent knew or should have known that Section 1239(1)(g) of the Code, MCL 500.1239(1)(g), provides that she may be sanctioned for using dishonest practices or demonstrating incompetence, or untrustworthiness, in the conduct of business in this state or elsewhere.
8. As a licensee, Respondent knew or had reason to know that Section 1239(2)(e) of the Code, MCL 500.1239(2)(e), provides that he may be sanctioned for violating any insurance laws or statutory regulations. As set forth above, Respondent has violated Section 249(a) of the Code, MCL 500.249(a) and, thus, has provided justification for sanctions, pursuant to Section 1239(1)(g) and 1239(2)(e) of the Code, MCL 500.1239(1)(g) and 500.1239(2)(e).
9. As a licensee, Respondent knew or had reason to know that Section 1244(1)(a-c) of the Code, MCL 500.1244(1)(a-c), provides that the Director may order the payment of a civil fine of up to \$1,000.00 for each violation and up to \$5,000.00 for each violation if the Director finds that the person knew or reasonably should have known that he or she was in violation of the Code. The Director may also require the person to refund any overcharges and pay restitution to cover losses, damages, or other harm they caused by violating the Code. Pursuant to Section 1244(1)(d) of the Code, MCL 500.1244(1)(d), the Director may order suspension or revocation of licensure.
10. On October 4, 2021, DIFS issued an Administrative Complaint, Order for Hearing, and Notice of Hearing which were served upon Respondent at the address she is required to maintain with DIFS.
11. In paragraph 3 of the Order for Hearing, the Respondent was ordered to do one of the following within 21 days of the date of the Order: 1) agree to a resolution with the opposing party, 2) file a response to the allegations in the Administrative Complaint and file a statement that Respondent plans to attend the hearing as scheduled, or 3) file a request for an adjournment. Paragraph 5 states that

failure to make the required filing shall constitute the default of Respondent in this contested case. Respondent failed to take the required action.

12. Having made reasonable efforts to serve Respondent and having complied with MCL 500.1238(2), Petitioner now seeks sanctions up to and including REVOCATION of licensure.
13. Respondent is in default and the Petitioner is entitled to have all allegations accepted as true.
14. On December 6, 2021, DIFS staff filed a Motion for Interim Order. Respondent did not file a reply to the motion.
15. DIFS staff has made reasonable efforts to serve Respondent and have complied with MCL 500.1238(2).
16. Respondent has received notice and has been given an opportunity to respond and appear and has not responded nor appeared.

### III. Order

Based upon the Respondent's conduct and the applicable law cited above, it is ordered that:

1. Respondent is in Default in this matter and all allegations contained in the Administrative Complaint are accepted as true in all respects.
2. Respondent shall **CEASE** and **DESIST** from violating the Code.
3. Respondent's license (System ID No. 0708805) is **SUSPENDED** commencing the day immediately following the issuance of this Order. Respondent's license shall only be reinstated if the conditions in Paragraphs 4 and 5 of this Order have been met.
4. Respondent shall pay to the State of Michigan, through DIFS, administrative and civil fines in the amount of **\$1,000.00**. This fine shall be paid by the due date indicated on the DIFS invoice.
5. Respondent shall provide a written response to the original July 19, 2021, letter of inquiry within 30 days from the date this Order.

6. The Director retains jurisdiction over the matters contained herein and has the authority to issue such further order(s) as shall be deemed just, necessary, and appropriate in accordance with the Code. If the Respondent fails to satisfy the conditions set forth in Paragraphs 3 and 4 within the time required, a Final Decision shall be entered in this matter revoking the Respondent's license.

Anita G. Fox, Director  
For the Director:



---

Randall S. Gregg  
Senior Deputy Director