

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

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

In the matter of:

**Anthony Mark Tahmouch**  
System ID No. 0759325

**Enforcement Case No. 20-16049**  
**Agency No. 20-048-L**

Respondent.

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**Issued and entered  
on April 7, 2021  
by Randall S. Gregg  
Senior Deputy Director**

**FINAL DECISION**

**I. Background**

At all relevant times, Anthony Mark Tahmouch (System ID No. 0759325) (Respondent) was an active licensed resident insurance producer with qualifications in accident and health, casualty, life, and property. Respondent has been licensed since February 24, 2016.

On March 5, 2018, State Farm informed DIFS that it had cancelled Respondent's appointment for cause. DIFS' subsequent investigation revealed that Respondent violated the following provisions of the Code: MCL 500.4503(g)(ii), MCL 500.1239(1)(b), MCL 500.1239(1)(g), and 500.1239(2)(e).

Respondent later worked for an Allstate agency. On June 11, 2019, DIFS received a complaint that Respondent had provided a policy discount to an Allstate customer who did not qualify for the discount. Allstate recouped the amount from the customer at a later date. DIFS' subsequent investigation revealed that Respondent violated the following provisions of the Code: MCL 500.2003, MCL 500.4503(a) and (b), MCL 500.1239(1)(c), MCL 500.1239(1)(f), MCL 500.1239(1)(g), and MCL 500.1239(2)(e).

DIFS subsequently issued a Notice of Opportunity to Show Compliance (NOSC) on August 3, 2020. The NOSC was sent by first-class mail to Respondent at his address on file with DIFS. Respondent's reply was due on or before August 31, 2020. DIFS did not receive a reply to the NOSC.

On January 26, 2021, DIFS issued an Administrative Complaint, Statement of Factual Allegations, Order for Hearing and Notice of Hearing, which was served on Respondent at the address he is required to maintain with DIFS. Paragraph 3 of 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. DIFS did not receive a reply to the Administrative Complaint and Respondent failed to take any of the actions required by paragraph 3 of the Order.

On March 5, 2021, DIFS filed a Motion for Final Decision. Respondent did not file a reply to the Motion. Given Respondent's failure to respond, Petitioner's motion is granted. The Administrative Complaint, being unchallenged, is accepted as true. Based upon the Administrative Complaint, the Director makes the following Findings of Fact and Conclusions of Law.

## **II. Findings of Fact and Conclusions of Law**

1. DIFS conducted two investigations of Respondent. The first was based on information from State Farm that it had cancelled Respondent's appointment for cause.
2. The second investigation was based on a consumer complaint regarding an unauthorized charge to his credit card from Allstate.

### **State Farm Code Violations**

3. Respondent had appointments with State Farm Fire and Casualty Company, State Farm Life Insurance Company, and State Farm Automobile Insurance Company (collectively State Farm) from March 21, 2016, to March 5, 2018. Respondent worked for a State Farm agency.
4. On or around March 5, 2018, State Farm informed DIFS that it had cancelled Respondent's appointment for cause.
5. Shortly thereafter, State Farm indicated that Respondent was terminated for falsifying compensation documents in order to get paid additional commissions. Respondent's activity included:
  - a. Submitting sales for commissions that did not actually occur, including but not limited to using bogus names;
  - b. Not processing charge backs when policies had lapsed or were cancelled, thereby getting paid for policies no longer on the books;
  - c. Inflating premiums on his commissions report to increase his pay; and
  - d. Forging signatures.
6. The State Farm agent filed a police report with the Oakland County Sheriff's office against Respondent but later withdrew her complaint after Respondent agreed to pay back the money he had unlawfully taken from her.
7. Between February 7 and August 13, 2018, payments totaling \$65,000.00 were made on Respondent's behalf to the State Farm agent as reimbursement for the money unlawfully taken by Respondent.
8. DIFS' subsequent investigation revealed that Respondent violated the following provisions of the Code while at the State Farm Agency: MCL 500.4503(g)(ii), MCL 500.1239(1)(b), MCL 500.1239(1)(g), and 500.1239(2)(e).

9. DIFS communicated with Respondent on several occasions regarding his fraudulent activity at State Farm. The statements Respondent provided to DIFS were inconsistent and misleading:
  - a. On or around August 20, 2018, Respondent submitted a signed written statement to DIFS in which he denied that he did anything wrong or improper during his employment with State Farm.
  - b. DIFS sent multiple emails to Respondent requesting a detailed explanation as to why his State Farm appointments were cancelled. Respondent stated that he had a civil dispute with the State Farm agent over charge backs and settled the dispute by paying back \$30,000.00 to the State Farm agent.
  - c. Contrary to Respondent's statements to DIFS, the State Farm agent filed a criminal complaint against Respondent and only withdrew the complaint after Respondent agreed to repay the money he had unlawfully taken from the State Farm agent's office.
  - d. Respondent provided DIFS staff with false and misleading statements regarding his appointment cancellations with State Farm. He insisted that he did not do anything wrong, and the dispute was a civil matter.

#### **Allstate Allegations and Code Violations**

10. Respondent later worked for an Allstate agency. While there, Respondent placed policies with the Allstate group of insurance companies, including appointments with several affiliates of the Allstate group of insurance companies, including Allstate Life Insurance Company, Allstate Insurance Company, Allstate Indemnity Company, Allstate Property and Casualty Insurance Company, Allstate Vehicle and Property Insurance Company, Allstate Assurance Company, and Allstate Fire and Casualty Company (collectively Allstate).
11. Allstate offered a multi-policy discount (MPD) to policy holders. To qualify for an MPD, a policy holder had to have more than one policy with Allstate. Automobile policies with an MPD receive a discount on their premium.
12. Allstate required customers to have an active policy to support the application of an MPD. An agent or agency could not apply the MPD based on the possibility that a customer might purchase a supporting policy or was considering doing so.
13. On June 11, 2019, DIFS received a complaint from a consumer alleging that Allstate made an unauthorized charge to his credit card. DIFS discovered that the charge was authorized due to Allstate recalculating the premium because Respondent had improperly provided the customer with an MPD without a supporting policy. DIFS' subsequent investigation revealed that Respondent violated the following provisions of the Code while at the Allstate agency: MCL 500.2003, MCL 500.4503(a) and (b), MCL 500.1239(1)(c), MCL 500.1239(1)(f), MCL 500.1239(1)(g), and MCL 500.1239(2)(e).

14. On or around December 12, 2018, a customer purchased an Allstate automobile insurance policy from Respondent. Respondent included an MPD discount on the policy, but the customer did not have an active supporting policy.
15. On or around January 25, 2019, Allstate eliminated the MPD from the automobile policy in question, with an effective date of December 13, 2018. Allstate charged the customer for the difference in the insurance premium.
16. DIFS communicated with Respondent several times during the course of its investigation about this issue. The statements Respondent provided to DIFS were inconsistent and misleading:
  - a. On or around July 31, 2019, DIFS staff asked Respondent how a particular customer was eligible for an MPD without having multiple policies with Allstate.
  - b. On or around July 31, 2019, Respondent stated to DIFS staff, "the customer was eligible for [a] multi policy discount on the auto policy because it was a bundled quote so he received the multi policy discount on his auto policy because he was adding the renter[']s policy within a couple of weeks from what I recall."
  - c. On or around August 7, 2019, Respondent stated to DIFS staff, "he wanted to add the renter[']s policy, but not until he was back in Michigan full time. When he returned to Michigan full time, the renter[']s policy was added."
  - d. On or around January 2, 2020, DIFS informed Respondent that the customer never purchased a renter's policy and asked Respondent if he provided an accurate statement to DIFS staff on August 7, 2019.
  - e. On or around January 6, 2020, Respondent stated, "From what I recall there was a renter[']s policy in place. When [the DIFS' investigator] reached out to me she had a copy of the renter[']s insurance from Allstate attached with her original email to me. I believe it's in the online portal you use."
  - f. On or around January 9, 2020, DIFS again reminded Respondent that the customer never purchased a renter's policy with Allstate and asked Respondent how a DIFS investigator could provide documentation of a renter's policy that never existed.
  - g. On or around January 13, 2020, Respondent again maintained that the customer purchased a renter's policy, stating "[t]he documents I received should show that there was a renters insurance policy in place."
  - h. Respondent was told multiple times by DIFS staff that the customer never purchased a renter's policy from Allstate that would qualify him for a multiple policy discount.
17. On August 6, 2020, an NOSC was mailed by first class mail to Respondent at his address on file with DIFS.

18. Respondent's reply was due on or before August 31, 2020. DIFS did not receive a reply to the NOSC.
19. On January 28, 2021, DIFS served Respondent with an Administrative Complaint, Statement of Factual Allegations, Order for Hearing and Notice of Hearing via first class mail to Respondent at his address on file with DIFS.
20. Respondent's reply was due on or before February 19, 2021.
21. Respondent did not respond in any way to the Administrative Complaint.
22. As a licensee, Respondent knew or reasonably should have known that MCL 500.2003 prohibits licensees from engaging in practices defined in the Code as being unfair methods of competition or an unfair or deceptive act or practice in the business of insurance.
23. As a licensee, Respondent knew or reasonably should have known that MCL 500.2018 defines an unfair method of competition and an unfair or deceptive act or practice in the business of insurance as making false or fraudulent statements or representations on or relative to an application for an insurance policy for the purpose of obtaining a fee, commission, money, or other benefit from an insurer, agent, broker, or individual.
24. Respondent violated MCL 500.2003 by engaging in a trade practice that is defined in MCL 500.2018 to be an unfair method of competition or an unfair and deceptive act or practice in the business of insurance by falsifying one or more applications for insurance by representing that one or more customers qualified for an MPD for the purpose of obtaining a commission and/or receiving a lower rate from Allstate.
25. As a licensee, Respondent knew or reasonably should have known that MCL 500.4503(a) prohibits licensees from knowingly preparing and/or presenting statements containing false information concerning anything material to an application for insurance to an agent or insurer with an intent to injure, defraud, or deceive.
26. Respondent violated MCL 500.4503(a) by knowingly preparing and/or presenting one or more applications for insurance containing intentional misrepresentations to Allstate regarding the eligibility of one or more customers to qualify for MPDs.
27. As a licensee, Respondent knew or reasonably should have known that MCL 500.4503(b) prohibits licensees from preparing and/or assisting, abetting, soliciting or conspiring to prepare or make statements to an insurer containing false information concerning anything material to an application for insurance with an intent to injure, defraud, or deceive.
28. Respondent violated MCL 500.4503(b) by preparing, assisting, abetting and/or conspiring to present one or more applications for insurance to Allstate containing intentional misrepresentations regarding the eligibility of one or more customers to qualify for MPDs.

29. As a licensee, Respondent knew or reasonably should have known that MCL 500.4503(g)(ii) prohibits fraudulent insurance acts, which includes diverting, attempting to divert, and/or conspiring to divert the funds of an insurer or other person in connection with the conduct of business activities by an insurer.
30. Respondent violated MCL 500.4503(g)(ii) by knowingly falsifying compensation documents with an intent to injure, defraud or deceive, thereby diverting, attempting to divert, and/or conspiring to divert the funds of State Farm and/or the State Farm agent in connection with the conduct of business activities by an insurer.
31. As a licensee, Respondent knew or reasonably should have known that MCL 500.1239(1)(b) provides that he may be sanctioned for “[i]mproperly withholding, misappropriating, or converting any money or property received in the course of doing insurance business.”
32. By falsifying compensation documents with State Farm, Respondent improperly withheld, misappropriated, and/or converted money or property received in the course of doing insurance business, providing justification for sanctions under MCL 500.1239(1)(b).
33. As a licensee, Respondent knew or had reason to know that MCL 500.1239(1)(c) prohibits intentionally misrepresenting the terms of an insurance contract or policy.
34. By claiming MPDs for customers who did not have multiple policies with Allstate, Respondent intentionally misrepresented the terms of an insurance contract or policy, providing justification for sanctions under MCL 500.1239(1)(c).
35. As a licensee, Respondent knew or reasonably should have known that MCL 500.1239(1)(f) provides that he may be sanctioned for having admitted or been found to have committed any insurance unfair trade practice or fraud.
36. As set forth above, Respondent violated the Uniform Trade Practices Act, at MCL 500.2003 and MCL 500.2018, committing one or more unfair or deceptive trade practices by submitting one or more applications for insurance with knowingly false and inaccurate data regarding eligibility for an MPD, providing justification for sanctions pursuant to MCL 500.1239(1)(f).
37. As a licensee, Respondent knew or reasonably should have known that MCL 500.1239(1)(g) provides that he may be sanctioned for “[u]sing fraudulent, coercive, or dishonest practices or demonstrating incompetence, untrustworthiness, or financial irresponsibility in the conduct of business in this state or elsewhere.”
38. By falsifying documents in order to increase his commissions from the State Farm Agency, fraudulently and dishonestly representing that one or more customers qualified for MPDs when they did not have multiple policies with Allstate, and providing dishonest and misleading statements to DIFS during its investigation, Respondent used fraudulent, coercive, or dishonest practices demonstrating incompetence, untrustworthiness, or financial irresponsibility in the conduct of business in this state, providing justification for sanctions under MCL 500.1239(1)(g).

39. As a licensee, Respondent knew or had reason to know that MCL 500.1239(2)(e) provides that he may be sanctioned for violating any insurance laws, regulations, or administrative rules.
40. As set forth above, by violating MCL 500.2003, MCL 500.2018, MCL 500.4503(a) and (b), and MCL 500.4503(g)(ii), Respondent has provided justification for sanctions under MCL 500.1239(2)(e).
41. Based upon the actions listed above, Respondent has committed acts that provide justification for the Director to order that he cease and desist his unlawful actions and impose sanctions pursuant to MCL 500.150(1), MCL 500.1239(1)(b), (c), (f), and (g), MCL 500.1239(2)(e), MCL 500.1244(1)(a)-(d), and MCL 500.2038(1). Potential sanctions for Respondent's unlawful conduct may include the payment of a civil fine, the refund of any overcharges, that restitution be made to cover losses, damages, or other harm attributed to Respondent's violation or violations of the Code, and/or other sanctions, including limitation, revocation, or suspension of Respondent's licenses.
42. DIFS staff has made reasonable efforts to serve Respondent and has complied with MCL 500.1238(2).
43. Respondent was sent notice and has been given an opportunity to respond and appear and he has not responded or appeared.
44. Respondent is in default and the Petitioner is entitled to have all allegations accepted as true.

### III. Order

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

1. Respondent shall **CEASE** and **DESIST** from violating the Code.
2. Respondent shall immediately **CEASE** and **DESIST** from engaging in the business of insurance.
3. Pursuant to MCL 500.150(1), MCL 500.1239(1)(b), (c), (f), and (g), MCL 500.1239(2)(e), MCL 500.1244(1)(a)-(d), and MCL 500.2038(1), Respondent's resident insurance producer license (System ID No. 0759325) is **REVOKED**.

Anita G. Fox, Director  
For the Director:



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Randall S. Gregg  
Senior Deputy Director