State of Missouri

DEPARTMENT OF INSURANCE, FINANCIAL INSTITUTIONS AND PROFESSIONAL REGISTRATION

IN RE:	)	
	)	
TODD JEREMY FENDLER	)	**Case No. 16-0725362C**
	)	
Renewal Applicant.	)	

ORDER REFUSING TO RENEW AN INSURANCE PRODUCER LICENSE

On August 24, 2016, the Consumer Affairs Division ("Division") submitted a Petition to the Director alleging cause for refusing to renew Todd Jeremy Fendler's insurance producer license. After reviewing the Petition, the Investigative Report, and the entirety of the file, the Director issues the following findings of fact, conclusions of law and order:

FINDINGS OF FACT

1. Todd Jeremy Fendler ("Fendler") is a non-resident insurance producer with a business address of 6090 Strathmoor Drive, Suite 3, Rockford, Illinois 61107 and a business phone number of (815) 226-9353.

2. Fendler has been licensed by the Department of Insurance, Financial Institutions and Professional Registration ("Department") as an insurance producer since August 24, 2012 (license number 8201150).

3. Fendler is the sole owner, president, and secretary of Northern Underwriting Managers, Inc. ("Northern Underwriting Managers"). Northern Underwriting Managers does business as Northern Illinois Insurance Agency, Inc. ("Northern Illinois"). Neither entity is licensed as a business entity insurance producer in Missouri.[1]

4. On August 23, 2016, Fendler submitted his electronic renewal application for a non-resident insurance producer license ("Renewal Application") to the Department.

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[1] On May 1, 2015, the Director refused to renew Northern Illinois' business entity insurance producer license. *See* ¶ 25, *infra*. As of August 24, 2016, Northern Underwriting Managers is not licensed as a business entity producer in Missouri. While Fendler's company has used different names over time (Northern Illinois or Northern Underwriting Managers or permutations thereof), for simplicity and consistency's sake, Northern Illinois is used here throughout.

Illinois Administrative Action

5. On July 14, 2014, the Illinois Department of Insurance ("Illinois Department") alleged various grounds to revoke Fendler's and Northern Illinois' licenses. *In the Matter of the Revocation of Licensing Authority of: Todd Fendler and Northern Illinois Ins. Agency, Inc.*, State of Illinois, Department of Insurance, Hearing No. 14-HR-0867. The Order of Revocation provides that it "shall take effect 30 days from the date of mailing but shall be stayed if within the 30-day period a written request for hearing is filed with the Director." *Id.* Fendler and Northern Illinois, through their attorneys, filed such a notice. The Order of Revocation also assesses a civil penalty of $100,000.00, *id.*, the maximum allowed by Illinois law, Section 5/500-70(d) of the Illinois Insurance Code (215 ILCS 5/500-70(d)), which penalty has also been stayed since Fendler and Northern Illinois filed a written request for hearing.

6. On July 27, 2015, the Illinois Department entered an Amended Order of Revocation in *In the Matter of the Revocation of Licensing Authority of: Todd Fendler and Northern Illinois Ins. Agency, Inc.*, State of Illinois, Department of Insurance, Hearing No. 14-HR-0867. Again on July 28, 2015, the Illinois Department entered another Amended Order of Revocation in this case. This Illinois administrative matter is still pending.

Missouri Complaints

Tagge

7. In August 2014, the Department received a complaint from Ron Tagge ("Tagge") with the Ron Tagge Insurance Agency, Inc. against Fendler and Northern Illinois. Tagge complained that Northern Illinois issued a false insurance binder for a Tagge client, Intercounty Excavation, Inc. ("Intercounty"), when no insurance had actually been secured.

8. On or about June 28, 2014, Tagge, on behalf of Intercounty, paid an $8,500.00 down payment for commercial insurance and Northern Illinois thereafter withdrew automatic premium installment payments from Tagge's account.

9. Tagge indicated that he had been told that QBE Insurance ("QBE") was writing the policy, but he contacted QBE and the company indicated that the policy number that Northern Illinois had provided was a submission number, not a policy number, and that QBE had declined to quote the policy. Tagge's client, Intercounty, had consequently been without coverage for approximately two months.

10. On August 27, 2014, Tagge sent a demand letter to Northern Illinois, indicating that the company had 48 hours to wire back the $14,119.34 that Tagge's account had been charged in premium for a policy that did not exist, or Tagge would report Fendler and

Northern Illinois for wire fraud. Tagge got his $14,119.34 back on August 28, 2014.

11. On June 15, 2016, Fendler and Northern Illinois did an ACH debit[2] of $199.00 from Tagge's bank account. By this point in time, Tagge had no accounts wherein he had obtained insurance for clients through Northern Illinois.[3]

Patel

12. In September 2014, the Department received a complaint in the form of a letter dated September 15, 2014 from an individual named Sejal Patel ("Patel"), with SUJVL, Inc. ("SUJVL") against Northern Illinois. Patel asserted that he had purchased a United States Liability Insurance Company ("USLI") insurance policy for a commercial property through his agent, Mahendra Gupta ("Gupta"), and Gupta's general agent, Northern Illinois.

13. Patel indicated that on September 3, 2013, he paid $3,250.00 as a down payment on a total premium of $11,500.00 to Northern Illinois, and that on December 11, 2013 Northern Illinois withdrew another $3,196.62 payment from SUJVL's bank account.

14. Patel explained that although these two payments were made to Northern Illinois, neither he nor his agent, Gupta, ever received a payment schedule or a policy. Patel indicated that his company received notices from USLI dated February 14, 2014 for cancellation of two policies (though Patel had only attempted to purchase one) because payments had not been made to USLI. USLI threatened to sue Patel and SUJVL for

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[2] "The Automated Clearing House Network, ACH Network, is a nationwide electronic funds transfer system that provides for the interbank clearing of electronic payments." *F.T.C. v. Global Marketing Group, Inc.*, 594 F.Supp. 1281, 1285 n. 3 (M.D. Fla. 2008); *see also Allsup, Inc. v. Advantage 2000 Consultants, Inc.*, 428 F.3d 1135, 1137 (8th Cir. 2005) ("ACH services are commonly deployed to effectuate a wide variety of automatic deposits and withdrawals, including payroll deposits, payments of utilities and other bills, and electronic funds transfers."). ACH electronic debits are variously referred to herein as ACH debits, electronic debits, and the like, and such terms are used interchangeably.

In a recent article in the Insurance Journal, Fendler explained Northern Illinois' use of ACH debits: "'We're an ACH only company,' Fendler said when asked in April 2016 about the billing complaints. 'We only bill in two ways. We bill pay in full or via the ACH. So if we allow someone to do monthly payments, we're going to do it via ACH.'" Stephanie K. Jones, *Despite Having License Revoked by 2 States, Northern Illinois Agency Continues to Operate*, INSURANCE JOURNAL, July 20, 2016.

[3] In an e-mail to Division Special Investigator Dana Whaley ("Whaley") from April 15, 2015, Fendler asserted that after handling two accounts with Tagge (Intercounty and Centennial Investments), Tagge lodged his displeasure with Fendler and Northern Illinois in the following ways: Tagge filed numerous complaints, contacted the FBI, called 911 to initiate a law enforcement welfare check at Fendler's Northern Illinois office, called the offices of the Secretaries of State in three states, complained to one of the insurance companies that Fendler and Northern Illinois worked with, and contacted the local sheriff. Given the tone of this admitted course of dealings, it is difficult to understand Fendler's $199.00 debit of Tagge's account in June of 2016, as there certainly could not have been a business relationship between the two by that time. *See* ¶s 161-167, *infra*, for a discussion of the various e-mails, including the one referenced here, between Whaley and Fendler.

collection of the balance of the earned premium.

15. Gupta's attorney contacted USLI, who offered SUJVL the options of either paying again in part for insurance coverage or cancelling flat. Patel and SUJVL elected to cancel flat, even though that left a gap in coverage, and to terminate any relationship with Northern Illinois and USLI. Patel received a check for $3,250.00 from Northern Illinois around this time, but has not yet received reimbursement for the other $3,196.62 payment made to Northern Illinois for insurance coverage that Patel never received.

Greenberg

16. On March 30, 2015, the Department received a complaint from Marvin Greenberg ("Greenberg") against Northern Illinois.

17. Greenberg had purchased a commercial Starr Indemnity & Liability Co. ("Starr Indemnity") business owners' policy through Fendler and Northern Illinois and on January 3, 2014, and he paid a premium of $12,587.00 plus Northern Illinois' $250.00 fee, for a total of $12,837.00.

18. On March 21, 2014, Greenberg received a check for $3,211.00 from Northern Illinois for a refund for overpayment of premium.[4] Greenberg noticed, however, that the policy declaration page indicated a premium of $9,081.00. Northern Illinois' refund check for overpayment of premium was therefore $295.00 short ($12,587.00 - $9,081.00 = $3,506.00 and $3,506.00 - $3,211.00 = $295.00).

19. Greenberg wrote to Northern Illinois twice in January 2015 to explain the discrepancy that he found and to request an additional refund for overpayment of $295.00. Greenberg did not receive a response.

20. In February 2015, Greenberg wrote to the Illinois Department regarding his $295.00 overpayment. Northern Illinois responded to the Illinois Department that the $295.00 charge was for inspection of the property. The application for insurance contained no mention of any inspection fee, nor did the policy itself, and Greenberg indicated that he never received an invoice for such an inspection. Since the property was located in Missouri, the Illinois Department encouraged Greenberg to contact the Department, which he did.

Le

21. In April 2015, the Department received a complaint from Kiet Le ("Le") against Fendler and Northern Illinois.

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[4] The refund check to Greenberg bears the "Authorized Signature" of "Todd J. Fendler."

22. Le wanted to obtain commercial insurance and the annual premium was supposed to be $13,951.00. But Fendler and Northern Illinois withdrew money from Le's bank account on May 21, 2014 for $4,972.00; on May 22, 2014 for $1,338.56; and on June 26, 2014 for $13,090.00, for a total of $19,400.56 – a difference of well over $5,000.00 compared to the annual premium.

23. The Division contacted the insurance company, The Hartford Insurance Company ("The Hartford"). The Hartford explained that it had received two payments for Le, on July 10, 2014 for $4,654.04, and on August 11, 2014 for $1,284.21, which totaled $5,938.25. As noted, however, the full premium was $13,951.00, so Northern Illinois and Fendler still had $8,012.75 that was supposed to be paid to The Hartford for premium, as well as over $5,000.00 in money that Fendler and Northern Illinois charged Le above and beyond the actual amount of premium ($19,400.56 - $13,951.00 = $5,449.56). Hartford ultimately cancelled the policy on October 25, 2014.

24. On February 18, 2015, Northern Illinois returned $6,861.79 to Le.[5]

The Missouri Refusal Order for Northern Illinois

25. On May 1, 2015, the Director issued his "Order Refusing to Renew a Business Entity Insurance Producer License" ("Refusal Order") as to Northern Illinois wherein he refused to renew Northern Illinois' business entity insurance producer license.

Surplus Market Solutions LLC

26. On February 12, 2015, the Department received an electronic application for a non-resident business entity insurance producer license for SMS LLC d/b/a Surplus Market Solutions LLC ("Surplus Market Solutions Application").

27. The Surplus Market Solutions Application lists Mark Treviranus ("Treviranus") as the responsible producer, the sole owner, and the authorized submitter. The Surplus Market Solutions Application lists Treviranus' home address as the authorized officer address, but lists the local phone number for Northern Illinois ((815) 226-9353, *see* ¶ 1, *supra*) and lists Treviranus' email address as markt@niinsurance.com.

28. The Applicant's Certification and Attestation section of the Surplus Market Solutions Application indicates, "[a]ll of the information submitted in this application and attachments is true and complete and I am aware that submitting false information or omitting pertinent

[5] The refund check bears the "Authorized Signature" of "Todd J. Fendler." The check is drawn on the "Premium Fund Trust Account NUM, Inc" (capitalization in original omitted); the memo line of the check indicates, "Return due on Policy #83 SBA IL 8488 SA."

or material information in connection with this application is grounds for license or registration revocation and may subject me and the business entity or limited liability company to civil or criminal penalties." The application also provides, again, in the Applicant's Certification and Attestation section, "I certify that the Designated Responsible Licensed Producer(s) named on this application understands that he/she is responsible for the business entity's compliance with the insurance laws, rules and regulations of the State."

29. On April 17, 2015, a Licensing Technician with the Department's Licensing Section sent an e-mail to markt@niinsurance.com indicating that the Department had received the Surplus Market Solutions Application in February, but that additional information was required. The Licensing Technician explained the documentation required, to include a listing of Missouri licensed producers and an organizational document.

30. Again on August 20, 2015, the Licensing Technician e-mailed markt@niinsuranc.com and indicated that she had received the information submitted in support of the Surplus Market Solutions Application, to include documentation from the Illinois Secretary of State. The Licensing Technician reiterated that she needed a list of Missouri licensed producers, even if just one. The Licensing Technician also indicated that because the organizational document from the Illinois Secretary of State indicated that the company was registered as "Surplus Market Solutions LLC," she could not issue the Missouri license in the name of SMS LLC d/b/a Surplus Market Solutions LLC, as submitted on the Surplus Market Solutions Application.

31. On September 28, 2015, the Licensing Technician e-mailed her August 20, 2016 e-mail to pstuder@niinsurance.com.

32. On October 8, 2015, Northern Illinois employee Patty Studer ("Studer") replied via e-mail to the Licensing Technician. Studer indicated that "Mark Treviranus is the producer" and Studer provided Treviranus' Missouri license number. Studer also confirmed, "[w]e will use the name Surplus Market Solutions LLC." Studer's signature block identified her as "Managing CSR – Customer Services Rep." for several entities: Northern Insurance Group of Companies Inc., Northern Illinois Insurance, Inc., and Northern Underwriting Managers, Inc. Studer lists her local phone number as (815) 226-9353 ext. 105.

33. On October 14, 2015, the Department approved the non-resident business entity insurance producer license for Surplus Market Solutions LLC ("Surplus Market Solutions").

34. The Illinois Secretary of State's Office shows that when it was first organized, on August 4, 2014,[6] Surplus Market Solutions' principal place of business was located at 1364

[6] The Articles of Organization for Surplus Market Solutions were filed on August 4, 2014, just a few weeks after the Illinois Department revoked Fendler and Northern Illinois' licenses. *See In the Matter of the Revocation of*

Cottonwood Lane, Crystal Lake, IL 60014 and its manager was Mark Treviranus.

35. For its 2015 Annual Report with the Illinois Secretary of State's Office, Surplus Market Solutions once again lists Mark Treviranus as the Manager, with his address as 1364 Cottonwood Lane, Crystal Lake, IL 60014. The signature block on the annual report form contains the following language: "I affirm, under penalties of perjury, having authority to sign thereto, that this Annual Report submitted pursuant to the Limited Liability Company Act, is to the best of my knowledge and belief, true, correct and complete." The 2015 Annual Report for Surplus Market Solutions appears to be signed by Fendler.

36. As of August 1, 2016, when the company filed its 2016 Annual Report, Surplus Market Solutions listed its principal place of business as 6090 Strathmoor Drive, #3, Rockford, IL 61107. Also as of August 1, 2016, Surplus Market Solutions' sole manager is Fendler.[7]

37. On or about August 2014, Treviranus, who held an individual, non-resident Missouri insurance producer license at that time, explored the possibility of entering into a business relationship with Fendler. Ultimately, though, he decided not to do so, and he cut all ties with Fendler on June 17, 2015.

38. Prior to August 1, 2016, Treviranus had no idea that he was supposedly the responsible producer or sole owner of Surplus Market Solutions. In fact, Treviranus voluntarily surrendered his individual, non-resident Missouri insurance producer license on January 22, 2016. Treviranus did not complete the Surplus Market Solutions Application, and was therefore not the authorized submitter. He did not authorize Fendler, Studer, or anyone else to submit the Surplus Market Solutions Application on his behalf, use his producer number on that application, or list him as the responsible producer or sole owner of Surplus Market Solutions.

39. Fendler, the current manager of Surplus Market Solutions, falsely submitted the

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[7] Surplus Market Solutions' registered agent is James M. Allen, with an address of 100 Park Ave, P.O. Box 1389, Rockford, Illinois 61105. This address corresponds to the address for the Hinshaw & Culbertson LLP ("Hinshaw & Culbertson") law firm office in Rockford, Illinois. Kent Cummings ("Cummings"), also of Hinshaw & Culbertson, currently represents Northern Illinois. *See Northern Illinois Insurance Agency, Inc. v. Dir. of Dep't of Ins., Fin. Insts. and Prof'l Reg'n*, No. 15-0919 DI (Mo. Admin. Hrg. Comm'n). Mr. Allen recently opined regarding the Northern Illinois Missouri administrative case and Fendler and Northern Illinois' administrative matter in Illinois in the Insurance Journal: "One of Fendler's attorneys, Jim Allen, with Hinshaw & Culbertson LLC in Rockford, Ill., said he could not comment on administrative matters that are pending with NUM except to say that they are 'pending and we're hoping for good outcomes on those matters...We're certain we'll resolve them.'" Stephanie K. Jones, *Despite Having License Revoked by 2 States, Northern Illinois Agency Continues to Operate*, INSURANCE JOURNAL, July 20, 2016.

Surplus Market Solutions Application for a non-resident business entity insurance producer license to the Department using Treviranus' name without authorization. Manifestly, therefore, Treviranus could not have been the authorized submitter, and Fendler lied when he said that Treviranus was.

40. Fendler also lied by omission on the Surplus Market Solutions Application. Because he submitted the Surplus Market Solutions Application falsely under Treviranus' name, Fendler also neglected to disclose the Illinois administrative action against him and Northern Illinois in the Surplus Market Solutions Application. *See In the Matter of the Revocation of Licensing Authority of: Todd Fendler and Northern Illinois Ins. Agency, Inc.*, State of Illinois, Department of Insurance, Hearing No. 14-HR-0867. Absent such negative administrative history, and relying on the representations in the application, the Department approved the Surplus Market Solutions Application and issued the license.

41. Treviranus, who, as noted, no longer holds an individual, non-resident producer license in Missouri and who had no interest in keeping a non-resident business entity license for which he never actually applied, voluntarily surrendered the business entity producer license for Surplus Market Solutions on August 15, 2016.

Davis

42. In June 2015, the Department received a complaint from Sheila Davis ("Davis") against Fendler and Northern Illinois.

43. Davis, d/b/a Sheila's Place, obtained commercial insurance through her agent, Fortner Insurance Services ("Fortner") and Northern Illinois. Davis obtained a workers' compensation and employer's liability insurance policy from Security National Insurance Company ("Security National") for the policy period from June 4, 2014 to June 4, 2015.

44. On or about May 21, 2015, agent Susan Johnston, with Fortner, sent a cancellation signed by Davis to Northern Illinois, cancelling Davis' workers' compensation policy with Security National effective June 4, 2015.

45. On May 22, 2015, Fendler and Northern Illinois electronically debited $2,745.00 from Davis' bank account. Davis had not renewed her workers' compensation policy (in fact, as noted, she cancelled it), nor did she authorize an electronic debit to renew the policy. Davis and her agent complained via e-mail to Northern Illinois regarding the unauthorized debit, and on May 27, 2015, Fendler and Northern Illinois returned $2,745.00 to her.

Haija

46. On June 23, 2015, the Department received a complaint from Adam Haija ("Haija") against Northern Illinois. Haija obtained various business owners' and workers'

compensation insurance policies through his agent, William Robert ("Tripp") Miller ("Miller") and his agency, Brush Creek Partners ("Brush Creek") and Northern Illinois. Haija obtained the insurance for numerous International House of Pancakes ("IHOP") restaurants that he and his company, D + S Ark, Inc. ("D + S Ark") and its subsidiary companies own in Missouri and Arkansas.

47. Fendler and Northern Illinois quoted a business owners' policy with blanket coverage for three of Haija's IHOP locations. For one location, Haija's IHOP restaurant on W. Walnut Street in Rogers, Arkansas, Fendler and Northern Illinois quoted a premium of $15,454.00. For another Haija IHOP location on S. Range Line Road in Joplin, Missouri, Fendler and Northern Illinois quoted a premium of $11,968.00. Finally, Fendler and Northern Illinois quoted a premium of $15,635.00 for Haija's IHOP located on Rogers Avenue in Fort Smith, Arkansas. In total then, for the three IHOP restaurants indicated, Fendler and Northern Illinois quoted a total premium for the blanket policy of $43,057.00.

48. Fendler and Northern Illinois debited over $52,000.00 from Haija for the business owners' policy that covered the three Haija IHOP restaurants indicated.

49. The business owner's policy that Haija ultimately obtained through QBE and General Casualty Company of Wisconsin charged a total premium of $30,371.00 for the three Haija IHOP restaurants indicated.

50. Fendler and Northern Illinois also quoted workers' compensation policies for several of Haija's IHOP locations. For the IHOP located on W. Walnut Street in Rogers, Arkansas, Fendler and Northern Illinois quoted a premium of $5,685.00. For Haija's IHOP located on S. Range Line Road in Joplin, Missouri, Fendler and Northern Illinois quoted a premium of $14,519.00. For Haija's IHOP located on Rogers Avenue in Fort Smith, Arkansas, Fendler and Northern Illinois quoted a premium of $5,685.00. Finally, for Haija's IHOP located in Florissant, Missouri, Fendler and Northern Illinois quoted a premium of $14,519.00. In total then, for the four IHOP restaurants indicated, Fendler and Northern Illinois quoted $40,408.00 in total premium for workers' compensation coverage for the four Haija IHOP's indicated.

51. Fendler and Northern Illinois debited over $46,000.00 from Haija for the workers' compensation policies that covered the four Haija IHOP restaurants indicated.

52. The workers' compensation policies that Haija ultimately obtained through Fendler and Northern Illinois charged a total premium of $29,170.50 for the four Haija IHOP restaurants indicated.

53. In sum, Fendler has made numerous unauthorized ACH electronic debits from bank accounts held by Haija and his companies for a number of policies. Fendler and Northern Illinois have consistently charged Haija premiums in excess of the actual premiums on

policies, and Fendler and Northern Illinois have retained, failed to remit to insurers, and/or failed to refund the differences in almost all cases for the business owners' and workers' compensation policies that Haija purchased through Fendler and Northern Illinois.

54. In June 2015, Haija also complained to the Illinois Department about Northern Illinois' conduct. The Illinois Department sent Haija's complaint to Northern Illinois and requested a response. Fendler responded; he indicated in his signature block that he was President of Northern Illinois Insurance Group Companies, Inc. and Surplus Markets Solutions, LLC. Fendler maintained that he was authorized to take Haija's money via ACH debit, that he had written authorizations from Haija to do so, and that under the meaning of "authorized" he and his company acted appropriately.

Fraker

55. In July 2015, the Department received a complaint, dated June 11, 2015, from Lyndall Fraker ("Fraker") against Fendler and Northern Illinois. In the spring of 2014, Fraker purchased commercial insurance through his agent, Fortner, and Fendler and Northern Illinois. Fendler and Northern Illinois quoted a premium of $2,192.00, with an $800.00 down payment, which Fraker paid, and ten monthly payments, along with Northern Illinois' $250.00 fee.

56. Fendler and Northern Illinois did ACH electronic debits of $146.78 from Fraker's bank account in July, November, and December 2014, and in January, February, and March 2015.

57. Fendler and Northern Illinois also debited $200.00 from Fraker's bank account in August 2014, and $348.17 in November 2014.

58. Fendler and Northern Illinois also debited $146.78 from Fraker's bank account in April and May 2015.

59. In January or February 2015, Fraker received an overdraft notice from his bank. He noticed that on his January 30, 2015 bank statement, there was an electronic debit for $786.34 from "NUM, Inc." Fraker never authorized Northern Illinois, NUM, Inc., Northern Underwriting Managers, Inc. or any other person or entity to electronically debit $786.34 from his bank account.

60. Even though he had not authorized such a payment, Fraker assumed that the $786.34 withdrawal was a yearly insurance down payment. In May 2015, though, he received a call from his agent, Fortner, indicating that Fraker owed additional premium on his policy, because Fortner was no longer working with Northern Illinois, and was working directly with the insurance company, The Hartford, instead.

61. Fraker explained to his agent that he thought that he had already paid the yearly premium because NUM, Inc. had debited $786.34 from his bank account. Fortner intervened with Northern Illinois to get Fraker's money back, and on or about July 3, 2015, Fraker received $626.29 back from Northern Illinois.

62. Fendler and Northern Illinois have never returned the balance of the $786.34 debit ($786.34 – 626.29 = $160.05) to Fraker or forwarded that money to an insurance company for purposes of purchasing Fraker's desired insurance.

63. On May 27, 2015, Fraker signed a Cancellation Request/Policy Release form, cancelling the policy that he had obtained through Northern Illinois. The policy cancellation was effective May 30, 2015.

64. On September 2, 2015, Fendler and Northern Illinois debited $146.78 from Fraker's bank account. As noted, Fraker had cancelled his policy purchased through Northern Illinois in May 2015, and Fraker had no other policies purchased through Northern Illinois. Fendler and Northern Illinois thus debited $146.78 from Fraker's account in September 2015 for no discernable reason. Further, Fendler and Northern Illinois debited Fraker's account for $146.78 in September 2015 despite the non-existence of a policy and despite the fact that Northern Illinois did not have a license to do the business of insurance in Missouri by that time, having had its license refused on May 1, 2015. *See* ¶ 25, *supra*.

Reynolds

65. In July 2015, the Department received a complaint from Keith Reynolds ("Reynolds"), d/b/a The Jive & Wail Washington Ave., LLC regarding Northern Illinois.

66. In 2013, Reynolds obtained property, general liability, and liquor liability coverage from North Pointe Insurance Company ("North Pointe") through Northern Illinois with an annual premium of $17,388.00.

67. Reynolds also obtained workers' compensation coverage with AmTrust/Technology Insurance Company ("AmTrust") through Northern Illinois with an annual premium of $4,205.00.

68. Reynolds paid for coverage effective November 24, 2013, as to all of the policies that he had obtained through Northern Illinois, but when Reynolds received the policies, he discovered that the effective date on the North Pointe policy was December 11, 2013, and the effective date on the AmTrust policy was December 2, 2013, not November 24, 2013.

69. Reynolds' policies were set up for agency billing (*i.e.*, through Northern Illinois), and Reynolds paid the invoices that Northern Illinois sent to him; in particular, Reynolds paid $6,054.00 on November 25, 2013; $1,783.50 on January 7, 2014; and $1,703.94 on February

27, 2014, for a total of $9,541.44. Reynolds also paid AmTrust $600.00 directly when billed for that amount. Thus, for his business-related insurance policies placed with Northern Illinois, Reynolds paid a total of $10,141.44.

70. On April 23, 2014, Reynolds closed his business and cancelled his business-related policies. AmTrust cancelled the policy on that date, but North Pointe cancelled prior to that, on March 30, 2014, because Fendler and Northern Illinois failed to forward premium.

71. Ultimately, Reynolds' business coverage through Northern Illinois was active from December 11, 2013 through March 30, 2014 (North Pointe) and from December 3, 2013 to April 23, 2014 (AmTrust). Dividing the annual premium for each policy by 12, and multiplying that figure by the months during which Reynolds was insured while he operated his business (3.63 months for North Pointe and 4.67 months for AmTrust), yields a total earned premium of $6,896.33. Fendler and Northern Illinois, therefore, owe Reynolds the difference between what Reynolds was charged and the total earned premium, which is $3,245.11. Fendler and Northern Illinois have retained that amount since April 2014 and have not returned it to Reynolds.

The Elwells/D & E Pizza

72. In September 2015, the Department received two complaints from Jeffrey Murphy ("Murphy") with Banta-Benham & Associates on behalf of Emily and Daniel Elwell ("the Elwells") and their company, D & E Pizza, LLC ("D & E Pizza") against Northern Illinois.

73. The Elwells and D & E Pizza own several Domino's restaurants located in Missouri and Kansas. The Elwells worked with their insurance agent, Murphy, and Fendler and Northern Illinois to obtain commercial insurance for their Domino's restaurants.

74. On June 16, 2014, the Elwells purchased a new workers' compensation policy for their Missouri Domino's locations with Murphy and Fendler and Northern Illinois. On June 6, 2014, Northern Illinois drafted the Elwells' bank account for the full, yearly premium, $8,846.00, plus Northern Illinois' $250.00 fee, for a total of $9,096.00.

75. On June 30, 2014, Fendler and Northern Illinois provided a certificate of liability insurance to Murphy, ostensibly for a D & E Pizza workers' compensation policy, #2636182, issued through AmTrust for the policy period from July 6, 2014 to July 6, 2015. This certificate bears the signature of "Todd J. Fendler" as the "Authorized Representative."

76. Murphy asked Northern Illinois for D & E Pizza's AmTrust policy documents. Northern Illinois eventually provided a declarations page from Guard Insurance Companies ("Guard") for policy number DEWC555802 showing that the Elwells' coverage was placed on August 5, 2014 for $6,709.00, which was $2,137.00 less than what the Elwells had paid in June 2014 in full ($9,096.00) for an AmTrust policy. The Guard documents also showed that

Northern Illinois was supposed to pay Guard monthly, which neither Northern Illinois nor Fendler disclosed, even though the Elwells had paid the entire yearly premium to Fendler and Northern Illinois.

77. Fendler and Northern Illinois did not, at any time, obtain workers' compensation insurance coverage for the Elwells or D & E Pizza through AmTrust.

78. Fendler and Northern Illinois provided a false or fraudulent AmTrust certificate of liability insurance for D & E Pizza. This certificate bears the signature of "Todd J. Fendler" as the "Authorized Representative."

79. Murphy requested a certificate of liability insurance from Northern Illinois bearing the correct information with the Guard policy beginning in August 2014. Northern Illinois produced a certificate of liability insurance dated June 30, 2014 that incorrectly showed the effective dates on the Guard policy as being from July 6, 2014 to July 6, 2015, since Guard documents show the policy period as being from August 5, 2014 to August 5, 2015. This second certificate of liability insurance also bears the signature of "Todd J. Fendler" as the "Authorized Representative."

80. Murphy also inquired on the Elwells' behalf and requested a $2,137.00 refund for overpaid premium, but neither Fendler nor Northern Illinois issued a refund.

81. The Elwells added additional Domino's locations at 2003 S. Garrison in Carthage Missouri, 200 S. Adams in Nevada, Missouri, and 716 S. Broadway in Pittsburgh, Kansas. On December 16, 2014, Northern Illinois processed the endorsement. Northern Illinois assessed a $30.00 processing charge and billed the Elwells an additional endorsement premium of $2,458.00 in full; neither Fendler nor Northern Illinois applied a credit to the Elwells for the $2,137.00 overpayment of premium.

82. On January 23, 2015, Murphy e-mailed Northern Illinois with a summary of events and documentation to show dates and amounts paid by the Elwells, and an inquiry as to what had happened to the $2,137.00 that the Elwells had overpaid for premium and why they did not receive proper credit for that overpayment when they added the endorsement for the additional Domino's locations.

83. On March 23, 2015, Murphy e-mailed a cancellation for the Elwells' Guard workers' compensation policy to Northern Illinois, to be effective March 16, 2015. Brooke Lemmons ("Lemmons"), Customer Services Representative with Northern Illinois, responded back to Murphy via e-mail and indicated, "I will send the request to the carrier." Following the cancellation of the Guard workers' compensation policy with Northern Illinois, neither the Elwells nor D & E Pizza had any insurance policies with Northern Illinois.

84. Following cancellation, Fendler and Northern Illinois continued to bill the Elwells for

the policy that had been cancelled. No Northern Illinois bill reflected the $2,137.00 due to the Elwells for the initial overpayment of premium, nor did the bills reflect a proper credit for the same.

85. On June 2, 2015, Lemmons, who had previously indicated that she would send the Elwells' cancellation request to the carrier, e-mailed Murphy regarding "D&E Pizza, Inc. dba Domino's" and indicated, "Your insured's Worker's Compensation policy will be rewritten or renewed automatically on 08/058/15 [sic]. Please advise if there are any changes to be made to the policy this year." Lemmons further advised in the e-mail, "If you wish us not to renew or rewrite a policy we will need a signed cancellation request prior to the expiration or renewal date. If we do not receive a cancellation request prior, the insured will be responsible for any earned premium."

86. Murphy constructed an account audit for the Elwells and in August 2015, he e-mailed it to Fendler and Northern Illinois proposing that the Elwells receive a credit of $2,137.00 (for overpayment of premium) to put towards the cost of the endorsement, with the end result being that the Elwells pay $321.00 to settle the account ($2,458.00 - $2,137.00 = $321.00). Murphy also noted that he believed that the additional fees that Northern Illinois was attempting to collect were not proper, because those fees had not been disclosed in advance.

87. In a September 3, 2015 e-mail from "billing@niinsurance.com," Northern Illinois rejected Murphy's offer to have the Elwells pay $321.00 to settle the account. The Northern Illinois e-mail provided another bill with a different amount due and cited to Illinois statutes in an attempt to support the additional fees charged. Also in the Northern Illinois e-mail, Northern Illinois threatened collection action against the Elwells for the amounts that Northern Illinois alleged had not been paid per the Northern Illinois billing statement.

88. One such billing statement, dated August 6, 2015, lists "NiiB – Northern Billing Services" at the top, with an address of "Northern Corporate, 6090 Strathmoor, Ste #3, Rockford, IL 61107," a phone number of "(815) 226-9353," an e-mail address of "billing@niinsurance.com," and a website address of www.northernum.com. This bill shows the total amount due for D & E Pizza as $2,679.00, again, as of August 6, 2015.

89. On October 8, 2015, Northern Illinois did an electronic debit from the Elwells' account for $2,373.00. The bank statement showed the debit as being from "NORTHERN UNDERWR" for "work comp audit policy #wc2636182." This number (wc2636182) corresponds to an AmTrust policy that Northern Illinois never placed for D & E Pizza, though Fendler did issue a false certificate of liability insurance for this supposed policy.

90. On November 20, 2015, Fendler and Northern Illinois did an electronic debit from the Elwells' account for $2,373.04. The bank statement showed the debit as being from "NORTHERN UNDERWR."

91. On December 2, 2015, Fendler and Northern Illinois did an electronic debit from the Elwells' bank account for $2,373.00. The bank statement showed the debit as being from "NORTHERN UNDERWR."

92. On January 11, 2016, Fendler and Northern Illinois did an electronic debit from the Elwells' bank account for $2,397.00. The bank statement showed the debit as being from "NORTHERN UNDERWR."

93. Since January 20, 2016, Fendler and Northern Illinois have attempted two more electronic debits from the Elwells' bank account, but the bank stopped payment on them.

94. As noted, the Elwells cancelled their Guard workers' compensation policy in March 2015; since March 2015, the Elwells had no other insurance policies through or with Fendler or Northern Illinois. And, as noted, Fendler never placed an AmTrust policy for the Elwells or D & E Pizza.

95. Between October 2015 and January 2016 (well after policy cancellation in March 2015) alone, Fendler and Northern Illinois debited $9,516.04 from the Elwells.[8]

96. On April 8, 2016, Fendler and Northern Illinois sent a check to D & E Pizza for $2,902.29. The check is drawn on the account of "Northern Underwriting Managers, Inc., Premium Fund Trust Account" and bears the authorized signature of "Todd J. Fendler." The Elwells returned this check to Fendler.

Trexcon

97. In October 2015, the Department received a complaint from Trexcon, Inc. ("Trexcon") through its agent, Miller, regarding Northern Illinois.

98. Trexcon had purchased a workers' compensation and employers' liability insurance policy from Technology Insurance Company, an AmTrust Financial Company ("Technology/AmTrust") through Brush Creek and Northern Illinois for the policy period from November 1, 2014 to November 1, 2015. Northern Illinois quoted a premium of $69,292.00.

99. In November 2014, Trexcon paid Northern Illinois $14,108.40 by check towards its policy.

100. Twice in December 2014, on the 1st and the 31st, "NUM Inc." did ACH debits from

[8] On July 20, 2016, D & E Pizza sued Northern Underwriting Managers, Inc. seeking return of $9,516.00 in unauthorized ACH debits. *D & E Pizza, LLC v. Northern Underwriting Managers, Inc*, Jasper Co. Cir. Ct., Case No. 16AP-AC00668. This case is pending.

Trexcon's bank account, each time for $6,174.33.

101. On January 30, February 27, and April 1, 2015, "NUM, Inc." did ACH debits from Trexcon's bank account, each time for $6,285.44.

102. On April 28, May 1, June 26, and July 28, 2015, "Northern Underwr" did ACH debits from Trexcon's bank account, each time for $6,285.44.

103. Thus, between November 2014 and July 2015, Fendler and Northern Illinois obtained a total of $76,740.58 from Trexcon.

104. The actual premium for Trexcon's desired insurance from Technology/AmTrust was $66,216.00.

105. By letter dated August 24, 2015, Technology/AmTrust indicated that it was terminating its relationship with Northern Illinois. Technology/AmTrust indicated that Northern Illinois was being terminated "due to unpaid agency bill balance."

106. Northern Illinois and Fendler provided a check to Technology/AmTrust for premium for various policies, including Trexcon's policy. Check number 7871 drawn on JP Morgan Chase Bank, N.A., was dated August 31, 2015, and was for $82,311.16. The check bears the authorized signature of "Todd J. Fendler."

107. Fendler's check number 7871 was returned for non-sufficient funds. On October 7, 2015, Technology/AmTrust sent notice to Trexcon that its check "# 7871" had been returned for non-sufficient funds, and that Trexcon needed to provide a replacement check for $41,088.88 "immediately." The notice indicated that if Trexcon failed to do so, "your Workers compensation policy could be cancelled."

108. By its non-sufficient funds check and otherwise, Fendler and Northern Illinois failed to remit or forward the premium payments from Trexcon to the insurer, Technology/AmTrust.

109. Technology/AmTrust cancelled Trexcon's workers' compensation and employers' liability insurance policy, effective September 7, 2015. The insurance company cancelled the insurance for nonpayment, though Miller was able to convince the company to reinstate.

110. As of November 1, 2015, Brush Creek, and not Northern Illinois, became the broker of record for Trexcon. After November 1, 2015, Trexcon did not hold any policies sold by or through Fendler or Northern Illinois.

111. On March 10, 2016, Fendler and Northern Illinois did an ACH debit from Trexcon's bank account for $1,691.00.

112. On April 4, 2016, Fendler and Northern Illinois did an ACH debit from Trexcon's account for $242.00, but Trexcon was able to get its bank to stop this charge.

113. On May 4, 2016, Fendler and Northern Illinois did an ACH debit from Trexcon's account for $1,671.00, but Trexcon was able to get its bank to stop this charge.

114. On June 15, 2016, Fendler and Northern Illinois attempted an ACH debit from Trexcon's account for $1,660.00, but the bank put a stop payment on it and credited Trexcon's account.

Shumaker/Shumaker Tire

115. On February 8, 2016, the Department received a complaint regarding Northern Illinois from Mark Shumaker ("Shumaker") and Shumaker Tire that Northern Illinois "has continued to withdraw funds from bank account after policy was cancelled," and that his agent had attempted to get reimbursement for improper charges, without success.

116. In August 2014, Shumaker purchased a workers' compensation and employers' liability policy through his agent, Greg Williams, and Northern Illinois. Shumaker purchased the policy from Technology Insurance Company, with a policy period from August 27, 2014 to August 27, 2015.

117. On August 27, 2015, Shumaker sent a signed cancellation notice to Studer, with Northern Illinois, to cancel all policies effective August 27, 2015. After this cancellation, neither Shumaker nor Shumaker Tire held any policies placed by or through Northern Illinois.

118. Fendler did debits from Shumaker's account, as follows: in August 2015, two debits for $3,637.33 and for $1,028.17, in October 2015, a debit for $2,894.06, in November 2015, a debit for $1,904.17, and in December 2015, a debit for $1,904.17.

119. Thus, between October and December 2015 (and putting aside the two debits from August 2015), Northern Illinois has debited $6,702.40 from Shumaker for a policy that no longer exists.

Moroney

120. In March 2016, the Department received a complaint filed on behalf of Joseph Moroney ("Moroney") against Northern Illinois.

121. Moroney worked with his agent, Charlie Harrison ("Harrison"), with Beacon Point Agency, and Northern Illinois to obtain commercial insurance.

122. In December 2014, Moroney purchased a general liability and commercial property cover policy from Seneca Speciality Insurance Company ("Seneca") for his company, EM Gourmet LLC ("EM Gourmet"), located in Kansas City. Moroney paid the one-year premium, $2,749.00. Seneca received payment and issued a policy for the coverage period from January 23, 2015 through January 23, 2016.

123. On December 16, 2015, Fendler and Northern Illinois did an ACH debit from Moroney's account for $2,974.00, ostensibly to renew the same policy effective January 24, 2016. Moroney did not sign an ACH authorization form or authorize policy renewal.

124. Fendler and Northern Illinois did additional ACH debits from Moroney's account, as follows: on January 12, 2016 for $2,264.07, on January 15, 2016 for $2,098.14, and on February 2, 2016 for $2,264.07.

125. Believing these ACH payments to be in error, Moroney asked his agent, Harrison, to intervene. Harrison contacted Northern Illinois, but did not receive a satisfactory response.

126. Moroney initiated paperwork with his bank, Central Bank of the Midwest, and disputed the ACH charges that occurred on his account from Fendler and Northern Illinois from January and February of 2016. Because more than 60 days had passed, Moroney was unable to dispute the December 2015 ACH charge.

127. Between December 16, 2015 and February 2, 2016, Fendler and Northern Illinois did four unauthorized ACH debits from Moroney's account for a total of $10,410.28. As noted, the entire yearly premium for Moroney's Seneca policy, for the policy period from January 23, 2015 to January 23, 2016, was $2,749.00. Fendler and Northern Illinois did not forward the money (in excess of $10,000.00) that it obtained from Moroney via unauthorized ACH debit to Seneca or any other insurance company for purposes of obtaining Moroney's desired insurance.

Gallaher

128. In March 2016, the Department received a complaint from John Gallaher ("Gallaher") with the Gallaher Insurance Group located in Mexico, Missouri. Gallaher complained that Northern Illinois had swept funds from his agency's account without a policy in place, and that Northern Illinois was continuing to do business even though the Department had not renewed its Missouri license.

129. In November 2014, Gallaher received a quote from Northern Illinois for commercial insurance for Brandon Rader ("Rader"), d/b/a Incentive Auto. Gallaher ordered the policy and paid by agency sweep.

130. Northern Illinois obtained Rader's policy, a commercial umbrella liability insurance policy, through Torus National Insurance Company ("Torus") for the policy period from November 10, 2014 to November 10, 2015.

131. Gallaher did not, however, renew the policy; indeed, Rader cancelled the Torus policy on December 21, 2015.

132. On March 9, 2016, Fendler and Northern Illinois did an ACH debit of $1,159.00 from Gallaher's account. A billing statement from Northern Illinois Insurance Billing Services dated October 1, 2015 lists a $1,159.00 payment made 10/01/15 via ACH debit; for the description, it indicates, "Auto RNWL ach (paid)."

133. On March 10, 2016, Fendler and Northern Illinois did an ACH debit of $295.00 from Gallaher's account. In March 2016, Gallaher had no other clients with policies placed by or through Northern Illinois.

James

134. On May 5, 2016, the Department received a complaint from Pamela James ("James") with Just Horsin' Around, LLC ("Just Horsin' Around").

135. In 2014, James purchased a commercial Starr Indemnity policy through her agent, Greg Rogers ("Rogers") with Golden Rule Insurance Associates ("Golden Rule") and Northern Illinois. She wrote a check dated January 17, 2014 payable to Golden Rule for the insurance binder in the amount of $600.00, from her personal checking account.

136. In 2015, and without authorization from either James, Rogers, or Golden Rule, Fendler and Northern Illinois wrote a policy for James and her company, Just Horsin' Around. The insurance was placed through The Hartford and the policy was placed for the policy period from January 18, 2015 to January 18, 2016.

137. In January 2015, Fendler and Northern Illinois did an ACH debit of $945.00 from James' personal checking account. James never signed an ACH authorization that would permit Fendler or Northern Illinois to debit money from her personal account.[9] This money

[9] Fendler claims that he has written authorizations for all policy holders, and that Northern Illinois obtains collections via the use of ACH debits: "'There have been some people that are upset when they have a policy that may have canceled a year ago and they're having funds ACH'd from their account. Well, that's because they have funds that are due....**Those people filled out EFT or ACH papers with us that we have on file**. Our contract states that if you have a balance that is due and you're on ACH, the balance that's due will be ACH'd. If you stop payment or you don't have enough funds in there, we will send it to our collections company. And our collections company will attempt to ACH you,' Fendler said." Stephanie K. Jones, *Despite Having License Revoked by 2 States, Northern Illinois Agency Continues to Operate*, INSURANCE JOURNAL, July 20, 2016 (emphasis in bold supplied).

was never forwarded to The Hartford or to any other insurance company for purposes of purchasing desired insurance.

138. Because James did not authorize Northern Illinois to write The Hartford policy, and because James never signed any written ACH authorization permitting Fendler or Northern Illinois to debit money from her personal bank account for any reason, Rogers (James' agent) refunded the $945.00 to James.

139. Neither Fendler nor Northern Illinois has refunded the $945.00 to Rogers, despite numerous requests.

140. On February 5, 2015, and given the unauthorized policy from The Hartford and unauthorized ACH debit from January 2015, James signed an Agent/Broker of Record Change form, making Rogers and Golden Rule her agent of record with The Hartford.

141. Once Rogers was the agent or broker of record, Rogers rewrote the policy. James' policy with The Hartford retained the same policy number (policy number 83 SBA IM8245 SA) as the policy that Northern Illinois obtained (without permission) for James. Rogers set up the policy for direct bill, from The Hartford to James. Northern Illinois had no role in the billing on the James' policy once Rogers rewrote it after he became the agent or broker of record for James.

142. In January 2016, Fendler and Northern Illinois once again drafted James' personal bank account, once again for $945.00. As noted, James did not have any insurance purchased by or through Northern Illinois at this time, and at no time did she ever sign an ACH or other authorization that would permit Fendler or Northern Illinois to debit her personal bank account. James' bank reversed the charge.

143. On May 2, 2016, Fendler and Northern Illinois did an ACH draft of James' personal bank account for $177.00.

144. On May 3, 2016, James called and spoke with Studer, with Northern Illinois, who indicated that she had no idea why Northern Illinois had drafted her (James') bank account; Studer confirmed that any insurance James had with Northern Illinois had been cancelled. James asked for a refund of her money, but Studer indicated she could not confirm this would happen. Ultimately, Studer told James that James would have to speak to Studer's manager, Fendler, to get any sort of explanation or possible refund.

145. Rather than provide a refund, Northern Illinois provided several bills and "Account Reconciliation Worksheet[s]" to James. An "account reconciliation" dated May 11, 2016 shows an amount due of $2,395.42. But a bill from the next day dated May 12, 2016, shows an amount due of $2,645.39. Northern Illinois provided correspondence with the May 12 bill indicating that if James did not pay the asserted balance due that her file will be sent to

collections.

146. James received another bill and another "Account Reconciliation Worksheet," both dated June 15, 2016. This bill showed payments and invoices from 2014 and 2015; Fendler and Northern Illinois have not done any ACH debits from James' account since May 2, 2016, and James did not provide any money to Fendler or Northern Illinois on her own. Nonetheless, the June 15, 2016 bill reflects an amount due of $146.42. The "Account Reconciliation Worksheet" was accompanied by an unsigned cover letter from "Billing Department, Northern Underwriting Managers," that indicated that "[t]here is still an outstanding earned premium amount that is due no later than June 24, 2016. If payment is not made by then, your file will be sent to collections."

2015 Division Inquiries and Subpoena Conference

147. Whaley was assigned to investigate the various complaints against Fendler and Northern Illinois. On September 26, 2014, Whaley sent an inquiry letter via first class mail through the United States Postal Service, postage prepaid, to Northern Illinois, attention Fendler, at Northern Illinois' address of record, inquiring about the Patel/SUJVL complaint. Whaley asked Fendler and Northern Illinois to respond to Patel's allegations and provide that response within 20 days of the postmark of the letter.

148. The United States Postal Service did not return the September 26, 2014 Division inquiry letter to the Division as undeliverable; therefore, it is presumed delivered.

149. On December 29, 2014, the Division contacted Northern Illinois by phone; Whaley spoke with Studer. Whaley informed Studer about the Division's September 26, 2014 letter to which neither Fendler nor Northern Illinois had ever replied. Studer provided her e-mail address, and Whaley e-mailed the September 26, 2014 letter and Patel's complaint to her and provided a new response date of January 15, 2015.

150. On January 6, 2015, Whaley followed up with Studer regarding the December 29, 2014 e-mail and its attachments (the September 26, 2014 inquiry letter and Patel's complaint). Whaley asked Studer to have Fendler call her. He did not do so.

151. Neither Fendler nor Northern Illinois responded to the Division's September 26, 2014 inquiry letter in a timely way, and neither Fendler nor Northern Illinois demonstrated reasonable justification for any delay.

152. On March 27, 2015, the Department served a subpoena duces tecum by certified mail on Fendler and Northern Illinois, ordering them to produce records, to include bank records and complete files and complete financial transaction history for Intercounty (*i.e.*, Tagge) and Patel, by April 10, 2015 ("March 27 Subpoena Duces Tecum").

153. The Department received the certified mail delivery receipt (United States Postal Service Form 3811, known as the "green card") bearing a signature and indicating delivery of the subpoena duces tecum to Northern Illinois and Fendler.

154. Also on March 27, 2015, the Department served a subpoena by certified mail on Fendler and Northern Illinois ("March 27 Supboena"), ordering them to appear before the Director or his appointee on April 14, 2015, for an investigation conference under oath ("subpoena conference").

155. The Department received the certified mail delivery receipt (United States Postal Service Form 3811, known as the "green card") bearing a signature and indicating delivery of the subpoena on April 9, 2015, to Northern Illinois and Fendler.

156. On April 1, 2015, Whaley sent a Division inquiry letter via first class mail through the United States Postal Service, postage prepaid, to Todd Fendler, Northern Illinois, at Northern Illinois' address of record, requesting information about the Greenberg complaint. Whaley asked Fendler and Northern Illinois to respond to Greenberg's allegations and provide that response by April 21, 2015.

157. The United States Postal Service did not return the April 1, 2015 Division inquiry letter to the Division as undeliverable; therefore, it is presumed delivered.

158. On April 9, 2015, Studer contacted Whaley by phone and indicated that Fendler was out of the country and would not be stateside at the scheduled time for the subpoena conference, April 14, 2015. Studer provided Fendler's schedule to Whaley, and Whaley rescheduled the conference as a convenience to Fendler for April 21, 2015 at 1:30 p.m., a time that Studer represented would work with Fendler's schedule. Whaley also extended the deadline for the documents to be produced pursuant to the subpoena duces tecum to April 17, 2015. Studer offered no other Northern Illinois director, officer, or employee, or manager or member who could or would respond to the subpoena duces tecum on behalf of Northern Illinois and in Fendler's place by the original deadline, nor did Studer identify any other Northern Illinois director, officer, or employee, or manager or member who could or would be able to attend the subpoena conference on the originally scheduled date (April 14, 2015) on behalf of Northern Illinois and in Fendler's place.

159. On April 9, 2015, the Department served another subpoena on Fendler and Northern Illinois, again by certified mail, rescheduling the subpoena conference for April 21, 2015 at 1:30 p.m.

160. The Department received the certified mail delivery receipt (United States Postal Service Form 3811, known as the "green card") bearing a signature and indicating delivery of the subpoena on April 13, 2015 to Northern Illinois and Fendler.

161. Beginning on April 14, 2015, Whaley began an ongoing e-mail dialogue with Fendler regarding the information required by the March 27 Subpoena Duces Tecum and the scheduled subpoena conference. Each time Fendler e-mailed, he e-mailed from the following e-mail account: "toddfendler@hotmail.com." Though some signature blocks were deleted or omitted in the various e-mail chains and threads between Whaley and Fendler, Fendler's signature blocks that do appear reference Fendler's Hotmail e-mail address and identify him as president of Northern Illinois. No one else with Northern Illinois responded via e-mail to Whaley's e-mails regarding Fendler and Northern Illinois and the various Missouri consumer complaints about them besides Fendler.

162. On April 14, 2015, Whaley received an e-mail from Fendler attaching documents from Northern Illinois' Patel/SUJVL file. Whaley e-mailed Fendler back and indicated that his presence was still expected at the April 21, 2015 subpoena conference.

163. Also on April 14, 2015, Fendler e-mailed Whaley and indicated that the Tagge complaint "was answered in full to the Dept. of Kansas."

164. On April 15, 2015, Whaley responded to Fendler's e-mail and indicated that Fendler had to produce the full Tagge file pursuant to the subpoena duces tecum, and that the due date was April 17, 2015.

165. Also on April 15, 2015, Fendler responded saying that he had received the request for documents when he was out of the country on vacation. Whaley responded by e-mail on April 16, 2015, and explained that she was aware that Fendler had asserted that he was out of the country, and that the subpoena conference had been rescheduled for that reason. Whaley reiterated that the subpoena conference was still scheduled for April 21, 2015.

166. On April 16, 2015, Fendler responded to Whaley's e-mail with some, but not all information about Tagge and Intercounty. Fendler styled his e-mail as "1 of 2" but a second e-mail was never forthcoming.

167. On April 20, 2015, Whaley e-mailed Fendler inquiring regarding the missing second e-mail. She also reminded Fendler that the April 21, 2015 subpoena conference would proceed as scheduled. Fendler responded after the close of business on April 20, 2015, indicating that he had received no response to his earlier e-mail. Early on April 21, 2015, Whaley responded and informed Fendler that, indeed, she had responded.

168. On April 21, 2015 at 1:30 p.m., Whaley, as the Director's appointee, attempted to hold the scheduled subpoena conference, but Fendler failed to appear as ordered. Northern Illinois did not appear by counsel either. Further, no other officer, director, employee, member or manager, or anyone else associated with Northern Illinois appeared at the

subpoena conference on Northern Illinois' behalf at the scheduled date and time, April 21, 2015 at 1:30 p.m.

169. The Division received no further communication from Fendler or anyone purporting to be associated with Northern Illinois regarding the subpoena conference or its scheduling since April 20, 2015.

2016 Division Inquiries

170. On June 13, 2016, Whaley sent eight Division inquiry letters to Fendler, with courtesy copies to the attorneys for Northern Illinois at that time, Robert Susman ("Susman") with Goffstein, Raskas, Pomerantz, Kraus & Sherman, LLC[10] and Cummings with Hinshaw & Culbertson. Whaley sent the letters to Fendler at his business address of record and his home address, 1231 National Avenue, Rockford Illinois 61103, via priority mail via the United States Postal Service, postage prepaid, with electronic tracking.

171. The eight June 13, 2016 Division inquiry letters pertained to the following Missouri consumers: D & E Pizza, Davis, Fraker, Haija, Moroney, Reynolds, Shumaker, and Trexcon. Whaley asked Fendler to respond to the inquiries in each of the eight letters within twenty days of the date of the postmark on the letters. As the postmark on each of the letters was June 13, 2016, Fendler's responses were due on or before July 5, 2016.

172. The eight June 13, 2016 Division inquiry letters asked for information to include "the expiration or cancellation date of each policy, along with corresponding declarations pages, endorsements and cancellation notices" along with "a detailed payment history of each policy." Further, the letters requested copies of "the ACH or EFT authorization, signed by the complainant" and "any other documentation that explains the matters in issue, including but not limited to ongoing billing issues." Finally, the Division inquiry letters required that any responses "[b]e signed by you" (*i.e.*, Fendler).

173. The United States Postal Service did not return any of the June 13, 2016 Division inquiry letters to the Division as undeliverable. In fact, the electronic tracking from the United States Postal Services shows that all of the letters were delivered to the intended recipients.

174. On June 30, 2016, Whaley sent three additional Division inquiry letters to Fendler, with courtesy copies to attorney Cummings. Whaley sent the letters to Fendler at his business address of record and his home address, 1231 National Avenue, Rockford, Illinois 61103, via United Parcel Service ("UPS"), with electronic tracking.

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[10] Mr. Susman has since withdrawn from Northern Illinois' representation in Northern Illinois' case at the Administrative Hearing Commission. *Northern Illinois Insurance Agency, Inc. v. Dir. of the Dep't of Ins., Fin. Insts. and Prof'l Reg'n*, No. 15-0919 DI (Mo. Admin. Hrg. Comm'n).

175. The three June 30, 2016 Division inquiry letters pertained to the following Missouri consumers: Gallaher, James, and Tagge. Whaley asked Fendler to respond to the inquiries in each of the three letters within twenty days of the date of the postmark on the letters. As the postmark on each of the letters was June 30, 2016, Fendler's responses were due on or before July 20, 2016.

176. The three June 30, 2016 Division inquiry letters asked for information to include "the expiration or cancellation date of each policy, along with corresponding declarations pages, endorsements and cancellation notices" along with "a detailed payment history of each policy." Further, the letters requested copies of "the ACH or EFT authorization, signed by the complainant" and "any other documentation that explains the matters in issue, including but not limited to ongoing billing issues." Finally, the inquiry letters required that any responses "[b]e signed by you" (*i.e.*, Fendler).

177. UPS did not return any of the three June 30, 2016 Division inquiry letters to the Division as undeliverable. In fact, the UPS electronic tracking shows that all three letters were delivered to the intended recipients.

178. On July 1, 2016, counsel for Northern Illinois, Cummings, requested an extension of time of 60 days to respond to the eight June 13, 2016 Division inquiry letters. Although the Division did not agree to a 60-day extension of time, as the regulatory time period for responses to inquiry letters is 20 days, the Division did agree to a 31-day extension of time for responses to all inquiry letters.

179. Cummings confirmed the grant of an extension via e-mail that the responses to the inquiry letters were now due on August 5, 2016.

180. On August 5, 2016, Joseph W. Hanley, III ("Hanley"), a colleague of Cummings' at Hinshaw & Culbertson, asked for an additional week for Fendler to respond to the inquiry letters, to August 12, 2016. The Division agreed to the extension until August 12, 2016 for Fendler's responses.

181. On August 12, 2016, the Division received two e-mails from toddfendler@hotmail.com related to Trexcon and one e-mail related to EM Gourmet. The text of the e-mails was from Amanda Haanpaa ("Haanpaa"), Executive Assistant to the President of Northern Illinois, Fendler, and the e-mails contained attachments of various documents pertaining to Trexcon and EM Gourmet. The attachment regarding EM Gourmet includes a letter of explanation from Fendler, but it is not signed.

182. Also on August 12, 2016, the Division received an e-mail from toddfendler@hotmail.com. The text of the e-mail was from Fendler. Fendler indicated that "[o]ur scanners have gone down and we have someone looking at them over the weekend.

We will send over what we can and we will be sending over more over the weekend. If in any case the problem can not [sic] be fixed this weekend we will have them to you by the end of the business day on Monday." The signature block on the e-mail is from "Todd J. Fendler, MBA," and lists Fendler as president of the following entities: Northern Insurance Group Companies, Inc., Northern Underwriting Managers, Inc., and Surplus Markets Solutions, LLC.

183. On Monday, August 15, 2016, the Division received two e-mails from toddfendler@hotmail.com related to D & E Pizza, four e-mails relating to Sheila's Place and Davis, two e-mails related to Reynolds, one e-mail related to Shumaker, two e-mails related to Fraker, and three e-mails related to Haija. The text of the e-mails was from Haanpaa and the e-mails contained attachments with various documents. The attachments included letters of explanation from Fendler regarding D & E Pizza and Haija, but those letters are not signed.

184. On August 17, 2016, the Division received an e-mail from toddfendler@hotmail.com that indicated as follows: "I have the remaining 3 files that will be sent out to you by the end of the day today. We were waiting on some files for these cases." The e-mail signature block lists "Todd J. Fendler, MBA" who lists himself as President of Northern Insurance Group Companies, Inc., Northern Underwriting Managers, Inc., and Surplus Markets Solutions, LLC. By discussing "the remaining 3 files," Fendler was presumably referring the responses to the three June 30, 2016 inquiry letters relating to Gallaher, James, and Tagge.

185. The Division did not receive any additional e-mails from toddfendler@hotmail.com on August 17, 2016.

186. On August 24, 2016, the Division received an e-mail from pstuder@niinsurance.com. The text of the e-mail was from Studer and it contained an attachment regarding Gallaher. The attachment contains a letter of explanation from Fendler, but it is not signed.

187. As of August 24, 2016, the Division has not received responses to the June 30, 2016 inquiry letters related to James and Tagge.

188. Fendler has not provided responses to the June 30, 2016 inquiry letters related to James and Tagge, and Fendler has failed to provide any reasonable justification for delay.

CONCLUSIONS OF LAW

189. Section 375.116[11] provides, in part:

* * *

[11] This and all further statutory references are to RSMo Supp. 2013 unless otherwise noted.

3. No insurance producer shall have any right to compensation other than commissions deductible from premiums on insurance policies or contracts from any applicant for insurance or insured for or on account of the negotiation or procurement of, or other service in connection with, any contract of insurance made or negotiated in this state or for any other services on account of insurance policies or contracts, including adjustment of claims arising therefrom, unless the right to compensation is based upon a written agreement between the insurance producer and the insured specifying or clearly defining the amount or extent of the compensation. Nothing contained in this section shall affect the right of any insurance producer to recover from the insured the amount of any premium or premiums for insurance effectuated by or through the insurance producer.

4. No insurance producer shall, in connection with the negotiation, procurement, issuance, delivery or transfer in this state of any contract of insurance made or negotiated in this state, directly or indirectly, charge or receive from the applicant for insurance or insured therein any greater sum than the rate of premium fixed therefor and shown on the policy by the insurance company, unless the insurance producer has a right to compensation for services created in the manner specified in subsection 3 of this section.

190. Section 374.210.1 provides, in part:

It is unlawful for any person in any investigation, examination, inquiry, or other proceeding under this chapter, chapter 354, and chapters 375 to 385, to:

(1) Knowingly make or cause to be made a false statement upon oath or affirmation or in any record that is submitted to the director or used in any proceeding under this chapter, chapter 354, and chapters 375 to 385[.]

191. Section 374.210.2(7) provides, in relevant part, as follows:

The director may also suspend, revoke or refuse any license...issued by the director to any person who does not appear or refuses to testify, file a statement, produce records, or does not obey a subpoena.

192. Section 375.141.1 provides, in part:

The director may suspend, revoke, refuse to issue or refuse to renew an insurance producer license for any one or more of the following causes:

(2) Violating any insurance laws, or violating any regulation, subpoena or order of the director or of another insurance commissioner in any other state;

(3) Obtaining or attempting to obtain a license through material misrepresentation or fraud;

(4) Improperly withholding, misappropriating or converting any moneys or properties received in the course of doing insurance business;

(5) Intentionally misrepresenting the terms of an actual or proposed insurance contract or application for insurance;

* * *

(8) Using fraudulent, coercive, or dishonest practices, or demonstrating incompetence, untrustworthiness or financial irresponsibility in the conduct of business in this state or elsewhere;

(9) Having an insurance producer license, or its equivalent, denied, suspended or revoked in any other state, province, district or territory[.]

193. Section 375.144(4) provides as follows:

It is unlawful for any person, in connection with the offer, sale, solicitation or negotiation of insurance, directly or indirectly, to:

* * *

(2) As to any material fact, make or use any misrepresentation, concealment, or suppression;

* * *

(4) Engage in any act, practice, or course of business which operates as a fraud or deceit upon any person.

194. Section 375.934, RSMo 2000, provides as follows:

> It is an unfair trade practice for any insurer to commit any practice defined in section 375.936, RSMo 2000, if:
>
> (1) It is committed in conscious disregard of sections 375.930 to 375.948 or of any rules promulgated under sections 375.930 to 375.948; or
>
> (2) It has been committed with such frequency to indicate a general business practice to engage in that type of conduct.

195. Pursuant to § 375.936, RSMo 2000, any of the following practices, if committed in violation of § 375.944, RSMo 2000, are defined as unfair trade practices in the business of insurance:

> (7) "Misrepresentation in insurance applications", making false or fraudulent statements or representations on or relative to an application for a policy, for the purpose of obtaining a fee, commission, money, or other benefit from any insurer, agent, agency, broker or other person[.]

196. Title 20 CSR 100-4.100(2)(A) provides as follows:

> Upon receipt of any inquiry from the division, every person shall mail to the division an adequate response to the inquiry within twenty (20) days from the date the division mails the inquiry. An envelope's postmark shall determine the date of mailing. When the requested response is not produced by the person within twenty (20) days, this nonproduction shall be deemed a violation of this rule, unless the person can demonstrate reasonable justification for that delay.

197. Fendler's Renewal Application for a non-resident individual insurance producer license may be refused under § 375.141.1(2) for violating an insurance regulation, 20 CSR 100-4.100(2)(A), by failing to timely and adequately respond to Division inquiries. Fendler did not respond to the Division's September 26, 2014 inquiry letter requesting a response to the Patel/SUJVL complaint in a timely way. Fendler has not provided reasonable justification for the delay. While Fendler offered some documentation in April 2015, it was late, in response to a subsequent subpoena duces tecum, and, in any event, incomplete. Further, Fendler never responded to the April 1, 2015 Division inquiry letter regarding Greenberg's complaint, and has never provided reasonable justification for the delay.

198. Fendler's Renewal Application for a non-resident individual insurance producer license may be refused under § 375.141.1(2) for violating an insurance law, § 374.210.2(7), because Fendler did not provide the documents requested in the subpoenas duces tecum that the Department served on Fendler and Northern Illinois and, therefore, disobeyed said subpoena. Fendler produced some, but not all, documentation regarding Patel/SUJVL and that complaint, and provided no documents regarding Tagge, saying only that such documents had been provided to Kansas.

199. Fendler's Renewal Application for a non-resident individual insurance producer license may be refused under § 375.141.1(2) for violating an insurance law, § 374.210.2(7), because Fendler did not appear at the April 21, 2015 subpoena conference and, therefore, disobeyed the Director's subpoena.

a. The Division initially sent a subpoena to Fendler and Northern Illinois which the company received, as evidenced by the signed green card. Indeed, Studer, a Northern Illinois employee, contacted the Department to explain that Fendler would be unavailable on April 14, 2015, the initial date for the subpoena conference, and to provide Fendler's schedule so that the date for subpoena conference could be changed. Studer offered no other individual employed by or with Northern Illinois who could attend and testify at the April 14, 2015 subpoena conference, as originally scheduled, in Fendler's place.

b. The Division accommodated the schedule change that Studer requested on Fendler's behalf and sent another subpoena with the revised, April 21, 2015 date; the signed green card was returned. After that, Fendler e-mailed Whaley numerous times regarding the documentation requested in the subpoena duces tecum. Whaley responded, making clear more than once that the subpoena conference remained scheduled for April 21, 2015. No one with Northern Illinois, other than Fendler, corresponded with Whaley regarding the March 27 Subpoena Duces Tecum or the documents required pursuant to that subpoena.

c. Likewise, no other officer, director, or employee, or manager or member of

Northern Illinois contacted Whaley about the subpoena conference, either as originally scheduled or as rescheduled for April 21, 2015. And neither Fendler, nor any other officer, director, or employee, or manager or member of Northern Illinois, contacted Whaley on the morning of April 21, 2015 to express any issue with the subpoena conference scheduled for 1:30 that afternoon or to request another continuance.

200. Fendler's Renewal Application for a non-resident individual insurance producer license may be refused under § 375.141.1(2) for violating an insurance regulation, 20 CSR 100-4.100(2)(A), by failing to adequately respond to Division inquiries. Fendler provided letters of explanation, but did not sign the letters related to Moroney and EM Gourmet, D & E Pizza, and Haija as specifically delineated in the inquiry letter.[12]

201. Fendler's Renewal Application for a non-resident individual insurance producer license may be refused under § 375.141.1(2) for violating an insurance regulation, 20 CSR 100-4.100(2)(A), by failing to timely and adequately respond to Division inquiries. Fendler provided a response regarding Gallaher, but that response was 12 days late and Fendler did not sign the written letter of explanation that accompanied the response as specifically delineated in the inquiry letter.

202. Fendler's Renewal Application for a non-resident individual insurance producer license may be refused under § 375.141.1(2) for violating an insurance regulation, 20 CSR 100-4.100(2)(A), by failing to respond to the Division inquiry letters from June 30, 2016 related to James and Tagge. While Fendler indicated by e-mail that he was allegedly having difficulty with his scanners, that issue was apparently rectified because Fendler sent numerous e-mails to the Division with pdf attachments on August 15, 2016. On August 17, 2016, Fendler indicated by e-mail that responses to the remaining three inquiries would be forthcoming, but he never sent any such responses as to James and Tagge. Fendler failed to respond to the June 30, 2016 inquiry letters regarding James and Tagge and failed to provide reasonable justification for delay.

203. Fendler's Renewal Application for a non-resident individual insurance producer license may be refused under § 375.141.1(2) for violating § 374.210.1(1) for knowingly making a false statement upon oath or affirmation by submitting the Surplus Market Solutions Application through the unauthorized use of Treviranus' name and individual insurance producer number. When Fendler submitted this false application, he agreed that the information in the Surplus Market Solutions Application was "true and complete" and he acknowledged the penalties for submitting false information. Moreover, Fendler certified that "the Designated Responsible Licensed Producer(s) named on this application understands that he/she is responsible for the business entity's compliance with the insurance laws, rules, and regulations of the State" even though the Designated Responsible Licensed

[12] The letters that do have Fendler's apparent signature affixed appear to be from a signature stamp.

Producer listed, Treviranus, did not submit the Surplus Market Solutions Application or authorize the use of his name for any such purpose. Indeed, Treviranus had no idea about the licensing of Surplus Market Solutions, much less anything about this company's compliance with Missouri laws, rules, and regulations.

204. Fendler's Renewal Application for a non-resident individual insurance producer license may be refused under § 375.141.1(2) for violating § 375.144(4), an insurance law, because Fendler and Northern Illinois, in connection with the offer, sale, solicitation or negotiation of insurance, directly or indirectly, engaged in any act, practice, or course of business which operated as a fraud or deceit upon any person. Particularly, Fendler, the sole owner, president, and secretary of Northern Ilinois, and its designated responsible licensed producer, engaged in a practice or course of business of consistently overcharging premiums to numerous Missouri consumers without disclosing actual premium to them, to wit: Greenberg, Le, Haija, the Elwells/D & E Pizza, and Trexcon.

205. Fendler's Renewal Application for a non-resident individual insurance producer license may be refused under § 375.141.1(2) for violating § 375.144(4), an insurance law, because Fendler and Northern Illinois, in connection with the offer, sale, solicitation or negotiation of insurance, directly or indirectly, engaged in any act, practice, or course of business which operated as a fraud or deceit upon any person. Particularly, Fendler and Northern Illinois have engaged in a practice or course of business whereby they repeatedly made unauthorized ACH electronic debits from the bank accounts of consumers who had cancelled their insurance or who otherwise no longer had insurance policies issued by or through Fendler and Northern Illinois, to wit: Davis, Fraker, the Elwells/D & E Pizza, Trexcon, Shumaker/Shumaker Tire, Moroney, Gallaher, James, and Tagge.

206. Fendler's Renewal Application for a non-resident individual insurance producer license may be refused for committing an unfair trade practice under § 375.936(7), RSMo 2000, in violation of § 375.934, RSMo 2000, which constitutes grounds under § 375.141.1(2) for violation of insurance laws, because Fendler and Northern Illinois have engaged in and are engaging in the unfair trade practice of misrepresentation in insurance applications as defined in § 374.936(7), RSMo 2000, by making false or fraudulent statements or representations on or relative to an application for a policy by overcharging premium to Greenberg, Le, Haija, the Elwells/D & E Pizza, and Trexcon, for the purpose of obtaining a fee, commission, money, or other benefit from any insurer, agent, agency, broker or other person. Fendler and Northern Illinois have committed the unfair trade practice of misrepresentation in insurance applications in conscious disregard of §§ 375.930 to 375.948, or any rules promulgated thereunder, or with such frequency to indicate a general business practice to engage in that type of conduct, in violation of § 375.934, RSMo 2000.

207. Each violation of an insurance law or rule constitutes separate and sufficient grounds to refuse to renew Fendler's non-resident individual insurance producer license under § 375.141.1(2).

208. Fendler's Renewal Application for a non-resident individual insurance producer license may be refused under § 375.141.1(3) because Fendler obtained a license through material misrepresentation or fraud when he applied for and received a license for Surplus Market Solutions by using Treviranus' information without authorization. Studer, Fendler's and Northern Illinois' employee, told the Department's Licensing Section that Treviranus would be the responsible producer for Surplus Market Solutions and Studer provided Treviranus' producer number. The Surplus Market Solutions Application listed Treviranus' home as the location for the business, but listed Northern Illinois' phone number. Further, records from the Illinois Secretary of State show that Fendler filed the 2015 and 2016 Annual Reports with the Illinois Department and is currently the sole manager of Surplus Market Solutions. Treviranus did not authorize the use of his name and information in the Surplus Market Solutions Application; in fact, Treviranus surrendered his Missouri insurance producer license in January 2016, so he cannot be the responsible producer for that company.

209. Fendler's Renewal Application for a non-resident individual insurance producer license may be refused under § 375.141.1(4) for improperly withholding, misappropriating, and/or converting any moneys or properties received in the course of doing insurance business in Missouri in the following instances:

a. **Tagge** – On or about June 28, 2014, Tagge, on behalf of Intercounty, paid an $8,500.00 down payment and Fendler and Northern Illinois thereafter withdrew automatic premium installment payments from Tagge's account. Tagge indicated that he had been told that QBE was writing the policy, but he contacted QBE and the company indicated that the policy number that Northern Illinois had provided was a submission number, not a policy number, and that QBE had declined to quote the policy. Fendler retained the money from Tagge but did not obtain a policy for Tagge's client, Intercounty. Only after Tagge sent a demand letter in August 2014, did Fendler return $14,119.34 to Tagge. In fact, the check returning $14,119.34 to Tagge bears the "Authorized Signature" of Fendler. Fendler and Northern Illinois improperly withheld and misappropriated the money from Tagge's account and never obtained a policy for Tagge's client, Intercounty.

Then, on June 15, 2016, long after any attempt by Tagge to obtain a policy for his client, Intercounty (which policy never materialized) and long after Tagge sent a demand letter and Fendler provided a check to Tagge for $14,119.34, Fendler and Northern Illinois suddenly debited Tagge's account for $199.00. By this time (June 2016), Tagge had no policy and certainly no business relationship with Fendler or Northern Illinois.[13] Fendler and Northern Illinois misappropriated these funds from

[13] *See* n. 3, *supra*. Also by this time in June 2016, Northern Illinois did not have a license to practice the business of insurance in Missouri. *See* ¶ 25, *supra*; *but see* Stephanie K. Jones, *Despite Having License Revoked by 2 States, Northern Illinois Agency Continues to Operate*, INSURANCE JOURNAL, July 20, 2016.

Tagge and did not provide them to an insurance company for purposes of purchasing desired insurance.

b. **Patel** – At the end of August 2013, Fendler and Northern Illinois accepted payment of $3,250.00 from Patel's agent, Gupta, for an insurance policy through USLI. Shortly thereafter, Fendler and Northern Illinois electronically debited SUJVL's bank account for another $3,196.62, apparently for the USLI policy, but Northern Illinois never issued a policy. USLI then issued cancellation notices to SUJVL showing that no payments had ever been made to them. As Fendler and Northern Illinois received two payments from Patel and SUJVL for a total of more than $6,000.00, and since USLI never received any such payments, Fendler misappropriated them. Fendler and Northern Illinois returned $3,250.00 to Patel after USLI issued the cancellation notices, but Fendler and Northern Illinois had this money for months – from either late August or early September 2013 until mid-February 2014. Thus, while that money was returned, Fendler and Northern Illinois withheld, misappropriated, and/or converted it in the interim. Moreover, Fendler and Northern Illinois have improperly withheld, misappropriated, and/or converted the other $3,196.62 payment that Patel and SUJVL made for insurance that they never received because that money has never been returned.

c. **Greenberg** – In January 2014, Greenberg paid a total of $12,837.00 to Northern Illinois for a Starr Indemnity policy. Fendler refunded $3,211.00 in overpaid premium to Greenberg, but this did not go far enough; by Greenberg's calculation, Fendler owed him another $295.00 in overpaid premium. He requested that money from Fendler, which Fendler never paid. When Greenberg complained to the Illinois Department, Fendler claimed that the disputed $295.00 represented an inspection fee, but the application for insurance mentioned no such fee, nor did the policy, and Greenberg never received any invoice for an inspection. Fendler improperly withheld, misappropriated, and/or converted Greenberg's $295.00 because there was no inspection or corresponding fee based upon the insurance documents, so Fendler must have put that money to other uses, unrelated to Greenberg's policy.

d. **Le** – In May and June 2014, Le paid a total of $19,400.56 to Fendler for insurance with The Hartford even though the premium was only $13,951.00. The Hartford indicated that it had only received two payments, for $4,654.00 and $1,284.21 for Le's policy; The Hartford cancelled the policy. In February 2015, Fendler returned $6,861.79 to Le; the check bears the "Authorized Signature" of "Todd J. Fendler." Further, Fendler has still retained Le's money – some intended to pay the balance of the premium to The Hartford and some that Fendler charged over and above the premium amount – for more than two years. Fendler and Northern Illinois have improperly withheld, misappropriated, and/or converted Le's money and used it for purposes other than Le's desired insurance coverage.

e. **Davis** – Davis' agent sent a cancellation notice to Northern Illinois on May 21, 2015, effective June 4, 2015. On May 22, 2015, Fendler debited $2,745.00 from Davis' account. Fendler and Northern Illinois' withdrawal was unauthorized as Davis prepared no renewal paperwork. In fact, Davis cancelled her insurance through Northern Illinois. While Fendler and Northern Illinois returned the $2,745.00 to Davis on May 27, 2015, in the interim Fendler and Northern Illinois improperly withheld, misappropriated, and/or converted Davis' money even though Davis cancelled her policy.

f. **Haija** – Fendler and Northern Illinois have consistently overcharged Haija and his companies for premium for various policies. In total and as of the date of Haija's complaint to the Department in June 2015, Fendler and Northern Illinois have overcharged Haija and his companies and IHOP business locations by over $38,000.00. Fendler and Northern Illinois have improperly withheld, misappropriated, and/or converted Haija's money and used it for purposes other than Haija's desired insurance coverage; indeed, Fendler and Northern Illinois continue to do so, as over $38,000.00 in overcharges has never been returned.

g. **Fraker** – Fraker authorized monthly bank debits to pay for insurance. But Fendler and Northern Illinois did unauthorized ACH bank debits for additional money, most notably for $786.34 in January 2015. Indeed, Fendler and Northern Illinois withdrew $146.78 in September 2015, well after Fraker had cancelled his policy in May 2015. And while Fendler and Northern Illinois returned some money ($626.29), the balance has not been returned. Fendler and Northern Illinois improperly withheld, misappropriated, and/or converted Fraker's money and used it for purposes other than Fraker's desired insurance.

h. **Reynolds** – Reynolds complained that Northern Illinois created gaps in coverage. In particular, while Reynolds paid for his various business-related policies to be effective on November 24, 2013, the policies were not effective until December. Fendler and Northern Illinois, therefore, misappropriated premium by failing to forward it in a timely manner to the insurance companies, North Pointe and AmTrust. Similarly, when Reynolds cancelled his North Pointe policies effective April 23, 2014, the policy showed a cancellation date of March 30, 2014; again, Fendler and Northern Illinois did not timely forward premium, and the policy was prematurely cancelled. Finally, once Reynolds closed his business and cancelled his policies, Fendler and Northern Illinois retained premium well in excess of what Reynolds owed on those policies. In particular, Fendler and Northern Illinois retained $3,245.11 of Reynolds' money in excess of total earned premium and Fendler and Northern Illinois have improperly withheld, misappropriated and/or converted that money since April 2014 to the present.

i. **The Elwells/D & E Pizza** – In June 2014, the Elwells paid the entire yearly premium plus Northern Illinois' fee (for a total of $9,096.00) for commercial insurance for D & E Pizza. Fendler and Northern Illinois did not actually place coverage (with Guard) until August 5, 2014, and when it did so, the premium was substantially lower ($6,709.00) than what Fendler and Northern Illinois charged the Elwells. Northern Illinois and Fendler improperly withheld, misappropriated, and/or converted the Elwells' money from June 16, 2014 to August 5, 2014, when Northern Illinois and Fendler finally obtained a policy for the Elwells. Further, Norhtern Illinois and Fendler never refunded the difference in premium ($9,096.00 - $6,709.00 = $2,137.00) to the Elwells. The Elwells added an endorsement to the policy for new business locations, but Fendler and Northern Illinois never credited the Elwells' account for the amount that the Elwells initially overpaid. Conservatively, Fendler and Northern Illinois withheld, misappropriated, and/or converted that money from June 2014 when the Elwells paid it, to Decmeber 2014, when the Elwells added the endorsement. Fendler and Northern Illinois also withheld, misappropriated, and/or converted the Elwells' money because Fendler and Northern Illinois received the yearly premium payment from the Elwells, but paid the insurer, Guard, on a monthly basis, without the Elwells' knowledge or consent, retaining the Elwells' complete yearly payment in the interim. Fendler and Northern Illinois have also withheld, misappropriated and/or converted the Elwells' money because the Elwells cancelled their policy in March 2015, but Fendler and Northern Illinois continued to do ACH debits from the Elwells' bank account in October, November, and December, 2015, and in January 2016, for a total of $9,516.04.

j. **Trexcon** – Fendler and Northern Illinois quoted a premium for Trexcon at $69,292.00, but ultimately debited over $76,000.00 from Trexcon's account. In fact, the actual premium for Trexcon's insurance was $66,216.00. Fendler and Northern Illinois have not returned the difference between what Trexcon paid and what the insurance premium actually cost. Fendler and Northern Illinois also obtained Trexcon's money, yet failed to forward it to the insurance company. More particularly, Fendler and Northern Illinois sent a check to Technology/AmTrust, Trexcon's insurance company, for Trexcon's policy premium along with other policy premiums for over $82,000.00, but Fendler's check was returned for non-sufficient funds. Consequently, Technology/AmTrust sought the premium money due on Trexcon's policy (over $41,000.000) and ultimately cancelled Trexcon's insurance in September 2015 for nonpayment (though Trexcon's agent, Miller, was able to convince the company to reinstate). Further, after November 1, 2015, Trexcon no longer held any policies purchased by or through Fendler or Northern Illinois, but Fendler and Northern Illinois debited money from Trexcon's account in March, April, and May of 2016. Fendler and Northern Illinois have thus withheld, misappropriated and/or converted Trexcon's money, to include the overpayment of premium and the money that Trexcon paid for insurance that Northern Illinois failed to forward to the insurance company for Trexcon's desired insurance (as evidenced by Fendler's

insufficient funds check to Technology/AmTrust), and money that Fendler and Northern Illinois debited from Trexcon's account in 2016 unrelated to any policy purchased by or through Fendler or Northern Illinois.

k. **Shumaker/Shumaker Tire** – Shumaker complained that Northern Illinois continued to withdraw funds from his bank account after his insurance policy was cancelled. Shumaker placed a commercial insurance policy through Fendler and Northern Illinois that was effective from August 27, 2014 to August 27, 2015; on August 27, 2015, Shumaker cancelled all policies through Northern Illinois, effective that date. But in October 2015, Fendler and Northern Illinois did an ACH debit from Shumaker's account for $2,894.06. Again in November 2015, and yet again in December 2015, Fendler and Northern Illinois did ACH debits from Shumaker's account for $1,904.17 each time. Fendler and Northern Illinois could not have used the money that it debited from Shumaker's account between October 2015 and December 2015 (a total of $6,702.40) for insurance purposes, because Shumaker did not have any insurance through Fendler and Northern Illinois after August 2015. Fendler and Northern Illinois improperly withheld, misappropriated, and/or converted Shumaker's money for purposes other than for insurance for Shumaker.

l. **Moroney** – Moroney paid the yearly premium, $2,749.00, for a commercial insurance policy through Northern Illinois, with a policy period from January 23, 2015 to January 23, 2016. In December 2015 and January 2016, Fendler and Northern Illinois did numerous ACH debits from Moroney's account: on December 16, 2015 for $2,974.00; on January 12, 2016 for $2,264.07; on January 15, 2016 for $2,908.14, and on February 2, 2016 for $2,264.07. Moroney did not authorize any of these ACH debits and neither Fendler nor Northern Illinois forwarded the money to Seneca for Moroney's insurance in 2016. Consequently, Fendler and Northern Illinois improperly withheld, misappropriated, and/or converted Moroney's money and used it for purposes other than for insurance for Moroney.

m. **Gallaher** – Gallaher's client, Rader, cancelled the policy he obtained through Fendler and Northern Illinois on December 21, 2015. But on March 9 and 10, 2016, Fendler and Northern Illinois did debits from Gallaher's agency account, for $1,159.00 and $295.00, respectively. A Northern Illinois billing statement lists the $1,159.00 debit as being for "Auto RNWL ach (paid)" on a cancelled policy. Fendler and Northern Illinois improperly withheld, misappropriated, and/or converted money from Gallaher's agency account and used it for purposes other than for desired insurance for Gallaher's client.

n. **James** – James purchased a Starr Indemnity policy through her agent and Fendler and Northern Illinois and provided a personal check to cover the binder. Then, without any authority, Fendler and Northern Illinois wrote a policy for James through The Hartford. Fendler and Northern Illinois then billed James for $945.00

out of her personal bank account; James' agent, Rogers, reimbursed James for this debit. Rogers then became the broker of record on the policy from The Hartford, in February 2015. Nonetheless, in January 2016, Fendler and Northern Illinois again billed James for $945.00 for a policy for which they were not broker of record. James never authorized these payments to Northern Illinois, especially not out of her personal account for a commercial policy. Fendler and Northern Illinois improperly withheld, misappropriated, and/or converted money from James and used it for purposes of than for James' desired insurance through her broker of record.

210. Each instance wherein Fendler improperly withheld, misappropriated and/or converted moneys received in the course of doing insurance business constitutes separate and sufficient grounds to refuse to renew Fendler's non-resident insurance producer license under § 375.141.1(4).

211. Fendler's Renewal Application for a non-resident individual insurance producer license may be refused under § 375.141.1(5) for intentionally misrepresenting the terms of an actual or proposed insurance contract or application for insurance because Fendler and Northern Illinois provided a false certificate of insurance to the Elwells that stated that Northern Illinois had obtained a workers' compensation policy for the Elwells with AmTrust, effective July 6, 2014 to July 6, 2015, when, in fact, Fendler and Northern Illinois never obtained any such policy. Adding insult to injury, Fendler and Northern Illinois billed the Elwells via ACH debit for an audit on this non-existent policy.

212. Fendler's Renewal Application for a non-resident individual insurance producer license may be refused under § 375.141.1(8) for demonstrating incompetence, untrustworthiness and/or financial irresponsibility in the conduct of business in this state, because Fendler has established a pattern of fraudulently and dishonestly making unauthorized or excessive debits from consumer accounts that he then uses for non-insurance related purposes, as follows:

a. **Tagge** – Fendler obtained a substantial premium from Tagge, on behalf of his client, Intercounty, then failed to obtain insurance for Intercounty, and held onto the money for two months until Tagge threatened to contact authorities, at which point Fendler returned it. Tagge's client was left uninsured for two months, and Fendler retained someone else's money and failed to obtain the insurance for Tagge's client. In June 2016, Fendler and Northern Illinois debited $199.00 from Tagge's account, long after the existence of any policies or business relationship. Fendler's actions demonstrate incompetence, untrustworthiness, and financial irresponsibility because Fendler obtained and improperly retained premium money, never secured a policy, and made a debit from Tagge's account unconnected to any insurance policy.

b. **Patel** – Fendler and Northern Illinois took Patel's money and obtained two policies instead of the desired one policy, but then failed to forward the money to the insurance company so that Patel's insurance was cancelled. Fendler refunded some money, but still has not returned over $3,000.00 belonging to Patel, who was also left to contend with gaps in coverage. Fendler's actions demonstrate incompetence, untrustworthiness, and financial irresponsibility because Fendler obtained and improperly retained premium money, did not forward the money to the insurance company so the company cancelled the insurance, and failed to return the money to the consumer.

c. **Greenberg** – Fendler returned some overpayment of premium to Greenberg, but never returned $295.00 in overpaid premium. When asked about it by the Illinois Department, Fendler claimed it was an inspection fee, even though such fee was never mentioned in the insurance application or in the policy, and Fendler never sent any invoice for inspection to Greenberg. Fendler's actions demonstrate incompetence, untrustworthiness, and financial irresponsibility because Fendler obtained excess premium, delayed in returning a portion, and improperly retained the balance while trying to justify the extra charge by claiming it was an undisclosed inspection fee.

d. **Le** – Le paid over $19,000.00 to Fendler and Northern Illinois when the insurance premium cost far less. Then, Fendler failed to forward the full premium to the insurance company, The Hartford. Fendler eventually refunded some of the money to Le, but Fendler still has a portion of Le's money that was supposed to be used to pay premium, and a portion of money that Fendler overcharged Le and has never returned. Fendler's actions demonstrate incompetence, untrustworthiness, and financial irresponsibility because Fendler obtained money far in excess of premium, yet forwarded money far less than premium to the insurance company on the consumer's behalf. Fendler refunded some money to the consumer, but improperly retains some of the consumer's money still.

e. **Haija** – Fendler and Northern Illinois have repeatedly overcharged Haija for insurance premiums, across a number of policies, and has not returned the excess amounts to Haija. Indeed, Fendler and Northern Illinois have also charged Haija less than the quoted premium for some policies; between the overcharges (which exceed $38,000.00 in total since June 2015) and the undercharges, Northern Illinois' inaccurate and seemingly random billing strains credulity.

f. **Fraker** – Fraker authorized monthly debits for the insurance he purchased through Fendler and Northern Illinois, but in January 2015, Northern Illinois withdrew $786.34, without authorization. Fendler and Northern Illinois have returned some of that money to Fraker ($626.29), but not all. Moreover, Fraker cancelled his

policy through Fendler and Northern Illinois in May 2015, but in September 2015, Fendler and Northern Illinois withdrew $146.78 for a policy that had been cancelled.

g. **Reynolds** – Fendler and Northern Illinois failed to forward Reynolds' premium payments to the insurance companies such that there were lapses in coverage and Fendler and Northern Illinois failed to forward premium to an insurance company such that a policy was prematurely cancelled. Fendler and Northern Illinois has also failed to pay Reynolds back the excess premium he paid, above and beyond the total earned premium after Reynolds closed his business and cancelled his insurance policies. Fendler and Northern Illinois have improperly retained Reynolds' $3,245.11 since April 2014.

h. **The Elwells/E & E Pizza** – The Elwells purchased a policy through Fendler and Northern Illinois and paid the full yearly premium of $8,846.00 plus Northern Illinois' $250.00 fee ($9,096.00 total) on June 6, 2014. But Fendler and Northern Illinois did not place a policy until August 5, 2014. That policy cost $2,137.00 less than what the Elwells paid for yearly premium. The Elwells then added other business locations and obtained an endorsement. Fendler and Northern Illinois did not credit the Elwells for the $2,137.00 that they overpaid in premium. Fendler and Northern Illinois also collected the entire yearly premium from the Elwells, but when Fendler and Northern Illinois finally placed a policy with Guard, they set up the payments on a monthly basis, unbeknownst to the Elwells. Fendler also issued a false certificate of insurance showing that the Elwells were insured under an AmTrust workers' compensation policy for the policy period of July 6, 2014 to July 6, 2015, but neither Fendler nor Northern Illinois ever placed an AmTrust policy for the Elwells. The Elwells cancelled their insurance through Fendler and Northern Illinois effective March 16, 2015. But Fendler and Northern Illinois did electronic debits from the Elwells' bank account in October, November, and December 2015, and January 2016, for a total of $9,516.04 for a policy that the Elwells cancelled.

i. **Trexcon** – Fendler and Northern Illinois quoted a premium of $69,292.00 for insurance for Trexcon. Trexcon paid Fendler and Northern Illinois $14,108.40 by check; Fendler and Northern Ilinois then did several electronic debits from Trexcon's account. In total, between November 2014 and July 2015, Fendler and Northern Illinois obtained a total of $76,740.58 from Trexcon. The actual premium for Trexcon's insurance was $66,216.00. Fendler and Northern Illinois collected more than the quoted premium amount, and well in excess of the actual premium amount. Yet despite the fact that Trexcon had overpaid premium, the insurance company cancelled Trexcon's insurance in September 2015 for nonpayment because Fendler and Northern Illinois failed to forward Trexcon's money to the insurance company. In fact, Fendler wrote a check, to cover premium for Trexcon and others, to the insurance company for over $82,000.00, but the check was returned for insufficient funds. On November 1, 2015, Trexcon changed its broker of record, and no longer

held any policies purchased by or through Fendler or Northern Illinois, but Fendler and Northern Illinois still debited money from Trexcon's account in March, April, and May of 2016.

j. **Shumaker/Shumaker Tire** – Shumaker Tire obtained a policy through Fendler and Northern Illinois from August 2014 to August 2015. Shumaker cancelled the policy effective August 27, 2015 and provided notice to Northern Illinois. But in October, November, and December 2015, Fendler and Northern Illinois did electronic debits from Shumaker's accounts, for a total of $6,702.40, for a policy that had been cancelled.

k. **Moroney** – Moroney purchased insurance through Fendler and Northern Illinois and paid the yearly premium, $2,749.00 for coverage from January 2015 to January 2016. Between December 2015 and February 2016, Fendler and Northern Illinois debited a total of $10,410.28 from Moroney's bank account. Moroney did not authorize these electronic debits or any sort of policy renewal. Fendler and Northern Illinois debited this money, but did not send that money to the insurance company.

l. **Gallaher** – Gallaher's client, Rader, cancelled the policy he obtained through Fendler and Northern Illinois on December 21, 2015. But on March 9 and 10, 2016, Fendler and Northern Illinois did debits from Gallaher's agency account, for $1,159.00 and $295.00, respectively. A Northern Illinois billing statement lists the $1,159.00 debit as being for "Auto RNWL ach (paid)" on a cancelled policy. Fendler and Northern Illinois debited this money, but could not have used it for insurance for Gallaher's client, as that policy had been cancelled.

n. **James** – James purchased a Starr Indemnity policy through her agent and Fendler and Northern Illinois and provided a personal check to cover the binder. Without any authority, Fendler and Northern Illinois wrote a policy for James through The Hartford. Fendler and Northern Illinois then billed James for $945.00; James' agent, Rogers, reimbursed James for this debit. Rogers then became the broker of record on the policy from The Hartford, in February 2015. Nonetheless, in January 2016, Fendler and Northern Illinois again billed James for $945.00 for a policy for which they were not broker of record. James never authorized these payments to Fendler and Northern Illinois, especially not out of her personal account for a commercial policy. Fendler and Northern Illinois could not have used this money for James' desired insurance, because by this time, her broker of record was Rogers.

213. Fendler's Renewal Application for a non-resident individual insurance producer license may be refused under § 375.141.1(8) because Fendler and Northern Illinois used fraudulent and/or dishonest practices in the conduct of business in the state of Missouri, because Fendler and Northern Illinois, by their actions vis-à-vis Greenberg, Le, Davis, Haija, Fraker, the Elwells/D & E Pizza, Trexcon, Shumaker/Shumaker Tire, Moroney, Gallaher,

James, and Tagge, have established a pattern of fraudulently and dishonestly making excessive and/or unauthorized debits from consumer accounts and then using that money for non-insurance related purposes.

214. Fendler's Renewal Application for a non-resident individual insurance producer license may be refused under § 375.141.1(9) because Fendler has had an insurance producer license, or its equivalent, denied, suspended or revoked in any other state, Illinois. The Director of the Illinois Department issued his Order of Revocation on July 14, 2014. *In the Matter of the Revocation of Licensing Authority of: Todd Fendler and Northern Illinois Ins. Agency, Inc.*, State of Illinois, Department of Insurance, Hearing No. 14-HR-0867. On July 27 and July 28, 2015, the Illinois Department issued two Amended Orders of Revocation in this same case. While the Order of Revocation is stayed pending Fendler's and Northern Illinois' appeal, it is an order revoking a producer license nonetheless.

215. The above described instances are grounds upon which the Director may refuse to renew Fendler's non-resident individual insurance producer license.

a. Fendler has consistently overcharged consumers for insurance premiums; failed to forward premiums to insurance companies in full or at all, resulting in consumers unknowingly having gaps in their insurance coverage; made ACH debits from consumers' accounts long after policy cancellation, untethered from any extant policies or rational dollar amounts; and failed to refund consumers' money when his improper financial practices were discovered.

b. Yet, in the face of mounting complaints, Fendler has failed to timely or completely respond to inquiries from this state's insurance regulator. Moreover, Fendler failed to appear for the subpoena conference that was rescheduled as a matter of grace and solely for Fendler's convenience. And, manifestly, Fendler – the sole owner, president, and secretary of Northern Illinois – is the only person Northern Illinois ever offered or considered as the appropriate person with the necessary corporate knowledge to respond to such inquiries and subpoenas. Fendler *is* Northern Illinois, and the corporate form is mere subterfuge behind which Fendler attempts to shield himself from the consequences of his misdeeds.

c. Finally, Northern Illinois continues to do the business of insurance in Missouri unabated even though it is unlicensed; the danger to the public is exacerbated because Northern Illinois has changed its company name (though Northern Illinois is not licensed under that name either). *See* n. 1, *supra*. Since its refusal, on May 1, 2015, Northern Illinois has debited accounts, at least ostensibly for insurance purposes. Fendler knew or certainly should have known that Northern Illinois has continued to carry out the business of insurance while unlicensed, yet Fendler has orchestrated that non-licensed practice of insurance business or, at the very least, permitted that conduct to continue. Indeed, Fendler obtained another license, for Surplus Market

Solutions, under false pretenses, using Treviranus' name in order to avoid disclosure of the Illinois administrative action against him and potentially perpetrate further harm against Missouri consumers.

216. The Director has considered Fendler's history and all of the circumstances surrounding Fendler's Renewal Application. Renewing Fendler's individual insurance producer license would not be in the interest of the public. Accordingly, the Director exercises his discretion to refuse to renew Fendler's non-resident individual insurance producer license.

217. This Order is in the public interest.

ORDER

IT IS THEREFORE ORDERED that the non-resident individual insurance producer license Renewal Application of **Todd Jeremy Fendler** is hereby **REFUSED.**

SO ORDERED.

WITNESS MY HAND THIS 24th DAY OF AUGUST, 2016.

JOHN M. HUFF
DIRECTOR

NOTICE

TO: Applicant and any unnamed persons aggrieved by this Order:

You may request a hearing in this matter. You may do so by filing a complaint with the Administrative Hearing Commission of Missouri, P.O. Box 1557, Jefferson City, Missouri, within 30 days after the mailing of this notice pursuant to Section 621.120, RSMo. Pursuant to 1 CSR 15-3.290, unless you send your complaint by registered or certified mail, it will not be considered filed until the Administrative Hearing Commission receives it.

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CERTIFICATE OF SERVICE

I hereby certify that on this 24th day of August, 2016, a copy of the foregoing Order and Notice was served upon the Applicant in this matter by certified mail from the United States Postal Service, with signature required, at the following addresses:

Todd Fendler
Northern Illinois Insurance Agency, Inc.
6090 Strathmoor Dr., Ste. 3
Rockford, IL 61107-5200

Certified No. 7014 2870 0000 5288 3603

and

Todd Fendler
1231 National Ave.
Rockford, IL 61103-7139

Certified No. 7014 2870 0000 5288 3610

Kathryn Latimer, Paralegal
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