

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

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

In the matter of:

**Cher Anitra Cole f/k/a  
Cher Anitra Meadows**  
System ID No. 0728085

**Enforcement Case No. 22-16850**

Respondent.

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**ISSUED AND ENTERED**

**on April 10, 2024  
by Joseph A. Garcia  
Special Deputy Director**

**FINAL DECISION**

**I. INTRODUCTION**

On January 24, 2024, Joseph A. Garcia, Special Deputy Director, Department of Insurance and Financial Services ("DIFS"), issued an administrative complaint and statement of factual allegations (referenced collectively as the "Complaint") against Cher Anitra Cole, formerly known as Cher Anitra Meadows ("Respondent"), a licensed resident insurance producer. The Complaint was served upon Respondent on the same day by certified mail – return receipt requested, and first-class mail, bearing postage fully prepaid. Respondent did not submit a request for hearing as instructed in the "Opportunity for Hearing" portion of the Complaint. Given Respondent's failure to request a hearing, the unchallenged allegations in the Complaint are accepted as true. Based upon the Complaint, the Director of DIFS makes the following Findings of Fact and Conclusions of Law.

**II. FINDINGS OF FACT**

The findings of fact contained in paragraphs 1 through 10 of the "Statement of Factual Allegations" portion of the Complaint are in accordance with the preponderance of the evidence and are adopted in full and made part of this Final Decision, subject to the following modifications:

1. In paragraph 5, the reference to "[t]he policies identified in paragraph 5" is deemed to be a reference to "the policies identified in paragraph 4."

The findings of fact are restated as follows:

1. At all relevant times, Respondent was a licensed resident insurance producer. Respondent has been a licensed resident insurance producer since May 27, 2015. Respondent has qualifications in property and casualty.

2. At all relevant times, Respondent was an appointed licensed resident insurance producer for Allstate Fire and Casualty Insurance Company, Allstate Indemnity Company, Allstate Insurance Company, Allstate Property and Casualty Insurance Company, and Allstate Vehicle and Property Insurance Company (collectively "Allstate"). Respondent's appointments with Allstate began on or about July 9, 2015, and were terminated on or about December 16, 2020.
3. On or about March 2020, Allstate received information alleging an agent with the Agency<sup>1</sup> had written an automobile insurance policy with a misapplied insurance score and bundle discount. Allstate conducted an audit of the Agency's insurance producers because of the allegation.
4. Allstate's audit found that Respondent engaged in a pattern of intentionally misrepresenting named insureds on policies by obtaining insurance scores for multiple people in a household/family, binding a policy using the household/family member who had the lowest insurance score as the named insured, and then submitting an endorsement that deleted the policy's original named insured and made one of the household/family members who had a higher insurance score the policy's newly named insured. Allstate's audit identified seven policies that followed this pattern, as identified below:
  - a. Auto Policy 965050306: On or about August 5, 2019, Respondent submitted an application for W.S., J.H., and B.H., with W.S. as the named insured. W.S.'s insurance score was lower than J.H.'s and B.H.'s insurance scores. On October 14, 2019, Respondent submitted an endorsement that deleted W.S. from the policy and made J.H. the named insured.
  - b. Auto Policy 965056912: On or about August 30, 2019, Respondent submitted an application for G.W. and C.W., with G.W. as the named insured. G.W.'s insurance score was lower than C.W.'s insurance score. On or about September 6, 2019, Respondent submitted an endorsement that deleted G.W. from the policy and added D.W. as the named insured. D.W.'s insurance score was higher than G.W.'s and C.W.'s insurance score.
  - c. Auto Policy 965061494: On or about September 20, 2019, Respondent submitted an application for M.O. and J.C., with M.O. as the named insured. M.O.'s insurance score was lower than J.C.'s insurance score. On October 23, 2019, Respondent submitted an endorsement that deleted M.O. from the policy, added R.C. to the policy, and made J.C. the named insured. R.C.'s insurance score was higher than M.O.'s and J.O.'s insurance score.
  - d. Auto Policy 965072264: On or about November 7, 2019, Respondent submitted an application for A.H. and J.H., with A.H. as the named insured. A.H.'s insurance score was lower than J.H.'s insurance score. On December 5, 2019, Respondent submitted an endorsement that deleted A.H. from the policy and made J.H. the named insured.
  - e. Auto Policy 965079620: On or about December 16, 2019, Respondent submitted an application for G.S. and S.S., with G.S. as the named insured. G.S.'s insurance score was lower than S.S.'s insurance score, and G.S. qualified for a multi-policy discount. On December 17, 2019, Respondent submitted an endorsement that deleted G.S. from the policy and added R.S. and

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<sup>1</sup> The Complaint references the "Agency" as a capitalized term without referring to any particular person. This Final Decision adopts the Complaint's convention because the identity of the "Agency" is not material to the Conclusions of Law.

B.M.; B.M. had no insurance score and R.S.'s insurance score was higher than G.S.'s insurance score. On December 18, 2019, Respondent submitted an endorsement changing S.S.'s marital status from single to married.

- f. Auto Policy 965099100: On or about March 27, 2020, Respondent submitted an application for N.C. and K.C., with N.C. as the named insured. N.C. had an insurance score of 3 and K.C. had no available insurance score. On April 29, 2020, Respondent submitted an endorsement that deleted N.C. and made K.C. the named insured.
  - g. Auto Policy 965099392: On or about March 30, 2020, Respondent submitted an application for K.J. and B.C., with K.J. as the named insured. K.J.'s insurance score was lower than B.C.'s insurance score. On May 5, 2020, Respondent submitted an endorsement that deleted K.J. from the policy and made B.C. the named insured.
- 5. The policies identified in paragraph 4 were rated with lower premiums because the named insureds that Respondent used on the applications to bind the policies had lower insurance scores than the individuals who ultimately ended up as the named insureds on the policies. Respondent's pattern of changing the named insureds on policies shortly after the policies were bound also resulted in misapplied multi-policy discounts.
  - 6. Allstate interviewed Respondent after the audit. During the interview, Respondent acknowledged she was aware that a lower insurance score would result in a lower premium. Respondent also stated she had known that the person who ended up as the named insured on Auto Policy 965050306 would not have qualified for insurance if she was used as the named insured on the application.
  - 7. On or about December 17, 2020, Allstate notified DIFS that it had terminated Respondent for cause because Respondent falsified/mis-rated automobile insurance policies.
  - 8. On or about October 1, 2021, DIFS contacted the Agency to investigate Allstate's allegations. The Agency responded to DIFS on or about October 6, 2021, stating that Respondent appeared to have manipulated the system to obtain lower premiums for customers. The Agency noted that Respondent had marked married couples as unmarried, which allowed Respondent to see what spouse had a lower credit score and then use the spouse with the better credit score as the named insured when binding the policy.
  - 9. On November 14, 2023, DIFS staff issued a Notice of Opportunity to Show Compliance to Respondent at her mailing address on record, which she is required to keep current pursuant to the Michigan Insurance Code (the "Code").
  - 10. Respondent has not responded to the Notice of Opportunity to Show Compliance.

### **III. CONCLUSIONS OF LAW**

The conclusions of law contained in paragraphs 11 through 15 of the "Statement of Factual Allegations" portion of the Complaint are in accordance with the preponderance of the evidence and are adopted in full and made part of this Final Decision, subject to the following modifications:

1. The last sentence of paragraph 11 shall be deemed to be replaced with the following: "Accordingly, Respondent violated Section 2003 of the Code, MCL 500.2003, providing justification for sanctions under Section 2038(1) of the Code, MCL 500.2038(1)."
2. Paragraph 14 shall be deemed to be replaced with the following: "By knowingly misrepresenting the intended named insured when binding automobile policies, as set forth above, Respondent provided justification for sanctions pursuant to Sections 1239(1)(c), 1239(1)(g), and 1244(1)(d) of the Code, MCL 500.1239(1)(c), MCL 500.1239(1)(g), and MCL 500.1244(1)(d)."
3. Paragraph 15 shall be deemed to be replaced with the following: "Based upon the actions listed above, Respondent has committed acts that provide justification for the Director to order the payment of a civil fine, the refund of any overcharges, that restitution be made to cover losses, damages, or other harm attributable to Respondent's violation or violations of chapter 12 of the Code, MCL 500.1200 to MCL 500.1247, and/or other licensing sanctions, including revocation of licensure."

The conclusions of law are restated as follows:

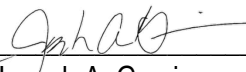
1. As a licensee, Respondent knew or had reason to know that section 2003 of the Code, MCL 500.2003, prohibits an insurance producer from engaging in an unfair method of competition or an unfair or deceptive act or practice in the business of insurance. Specifically, Section 2018 of the Code, MCL 500.2018, establishes that a deceptive act or practice in the business of insurance includes making false or fraudulent statements or representations on or relative to an application for an insurance policy for the purpose of obtaining a fee, commission, money, or other benefit from an insurer, agent, broker, or individual. Here, as set forth above, Respondent repeatedly submitted applications misrepresenting the intended named insured when binding policies in order to obtain the benefit of lower premiums for policyholders. Accordingly, Respondent violated Section 2003 of the Code, MCL 500.2003, providing justification for sanctions under Section 2038(1) of the Code, MCL 500.2038(1).
2. As a licensee, Respondent knew or had reason to know that Section 1239(1)(c) of the Code, MCL 500.1239(1)(c), provides that she may be sanctioned for "[i]ntentionally misrepresenting the terms of an actual or proposed insurance contract or application for insurance."
3. As a licensee, Respondent knew or had reason to know that Section 1239(1)(g) of the Code, MCL 500.1239(1)(g), provides that she may be sanctioned for "[u]sing fraudulent, coercive, or dishonest practices or demonstrating incompetence, untrustworthiness, or financial irresponsibility in the conduct of business in this state or elsewhere."
4. By knowingly misrepresenting the intended named insured when binding automobile policies, as set forth above, Respondent provided justification for sanctions pursuant to Sections 1239(1)(c), 1239(1)(g), and 1244(1)(d) of the Code, MCL 500.1239(1)(c), MCL 500.1239(1)(g), and MCL 500.1244(1)(d).
5. Based upon the actions listed above, Respondent has committed acts that provide justification for the Director to order the payment of a civil fine, the refund of any overcharges, that restitution be made to cover losses, damages, or other harm attributable to Respondent's violation or violations of the Code, and/or other licensing sanctions, including revocation of licensure.

#### IV. ORDER

Therefore, it is **ORDERED** that that:

- A. The Complaint, subject to the modifications specified above, is adopted and made part of this Final Decision.
- B. The allegations contained in the Complaint's statement of factual allegations are accepted as true.
- C. Pursuant to Sections 1239(1)(c), 1239(1)(g), 2003, 2018, 1244(1)(d), and 2038(1)(b) of the Code, MCL 500.1239(1)(c), MCL 500.1239(1)(g), MCL 500.2003, MCL 500.2018, MCL 500.1244(1)(d), and MCL 500.2038(1)(b), Respondent's Michigan insurance producer license (System ID No. 0728085) is hereby **REVOKED**.

Anita G. Fox, Director  
For the Director:

  
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Joseph A. Garcia  
Special Deputy Director