

No. 2022-7340

**Official Order
of the
Texas Commissioner of Insurance**

Date: 06/15/2022

Subject Considered:

Adam Abdul Badi Sanders
[REDACTED]
Philadelphia, Pennsylvania 19139-3111

Default Order
SOAH Docket No. 454-22-2571
TDI Enforcement File No. 27065

General remarks and official action taken:

This is a default order taken against Adam Abdul Badi Sanders (Respondent) because he: does not hold a license in good standing in his home state of residence; failed to notify the department of administrative actions taken against him by two insurance regulators of other states; willfully violated insurance laws of this state; intentionally made a material misstatement in a license application; obtained a license by fraud or misrepresentation; engaged in fraudulent or dishonest acts or practices; and is not actively engaged in soliciting or writing insurance for the public. Respondent did not respond to a Notice of Hearing filed by the Texas Department of Insurance. This order revokes Respondent's license.

The following findings of fact and conclusions of law are adopted:

Findings of Fact

Failure to Respond to Notice of Hearing

1. On May 3, 2022, the department filed a Notice of Hearing, attached as Exhibit A, and on April 29, 2022, filed an Original Petition, attached as Exhibit B, with the State Office of Administrative Hearings.

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Commissioner's Order

Adam Abdul Badi Sanders

SOAH Docket No. 454-22-2571

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2. The department's factual allegations set out in the attached Notice of Hearing and Original Petition are incorporated in this order as findings of fact.
3. The department sent the Notice of Hearing and Original Petition to Respondent's last known address provided in writing to the department, [REDACTED], Philadelphia, Pennsylvania 19139-3111. The Notice of Hearing and Original Petition were also sent by electronic mail and to an additional address associated with Respondent, [REDACTED], Blue Bell, Pennsylvania 19422-1952.
4. Respondent failed to file a written response to the Notice of Hearing within 20 days of the date the Notice of Hearing and Original Petition were mailed.

Conclusions of Law

1. The commissioner has jurisdiction pursuant to Texas law, including TEX. INS. CODE §§ 82.051-82.055, 4001.002, 4003.007, 4005.101, 4005.102, 4054.051 and 4056.025;¹ and TEX. GOV'T CODE §§ 2001.051-2001.178.
2. The commissioner has authority to dispose of this case informally pursuant to TEX. GOV'T CODE § 2001.056; TEX. INS. CODE § 82.055; and 28 TEX. ADMIN. CODE §§ 1.47, 1.88, and 1.89.
3. The department provided proper notice of the hearing pursuant to TEX. GOV'T CODE §§ 2001.051, 2001.052, and 2001.054, and 28 TEX. ADMIN. CODE §§ 1.28, 1.88, 1.89, and 19.906.
4. Based on Respondent's failure to file a written response to the Notice of Hearing, the department is entitled to disposition by default pursuant to 28 TEX. ADMIN. CODE §§ 1.88 and 1.89.
5. The department's factual and legal allegations set out in the attached Notice of Hearing and Original Petition are incorporated in this order and deemed admitted as true pursuant to 28 TEX. ADMIN. CODE § 1.89.

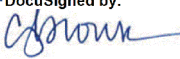
¹ All citations to TEX. INS. CODE § 4056.052 in this Order refer to the law in effect prior to September 1, 2021.

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Order

It is ordered that any licenses held by Adam Abdul Badi Sanders are revoked. A copy of this order will be provided to law enforcement or other appropriate administrative agencies for further investigation as may be warranted.

DocuSigned by:

FC5D7EDDFFB84F8...

Cassie Brown
Commissioner of Insurance

Prepared and reviewed by:



Anna Kalapach, Staff Attorney
Enforcement

2022-7340

Commissioner's Order
Adam Abdul Badi Sanders
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Affidavit

STATE OF TEXAS §

§

COUNTY OF TRAVIS §

Before me, the undersigned authority, personally appeared David Moreno, who, being by me duly sworn, deposed as follows:

"My name is David Moreno and I am employed by the Texas Department of Insurance. I am of sound mind, capable of making this affidavit, and have personal knowledge of these facts which are true and correct.

I have reviewed TDI's records concerning Adam Abdul Badi Sanders. I have confirmed that:

- a. The last mailing address provided to the department in writing by Adam Abdul Badi Sanders is [REDACTED], Philadelphia, Pennsylvania 19139-3111.
- b. The file maintained by Enforcement contains a Notice of Hearing dated May 3, 2022, and an Original Petition dated April 29, 2022, which were filed with the State Office of Administrative Hearings.
- c. On May 3, 2022, the Notice of Hearing and Original Petition addressed to Adam Abdul Badi Sanders were mailed first-class and certified, return receipt requested, to his last known address and an additional address, [REDACTED], Blue Bell, Pennsylvania 19422-1952.

A copy of the certified mail log and first-class mail log maintained by Enforcement is attached as Exhibit C and D, respectively."

DocuSigned by:

David Moreno

97E38FD7C728432...

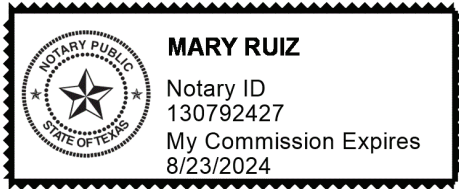
Affiant

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Commissioner's Order
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SWORN TO AND SUBSCRIBED before me by means of an interactive two-way audio and video communication on 5/19/2022. This notarial act was an online notarization.

Notary Seal



Digital Certificate

DocuSigned by:
Mary Ruiz
795DC4D59167489...

Notary Public State of Texas

2022-7340

FILED
454-22-2571
5/3/2022 10:01 AM
STATE OFFICE OF
ADMINISTRATIVE HEARINGS
Carol Hale, CLERK

**SOAH DOCKET NO. 454-22-2571
TDI ENFORCEMENT FILE NO. 27065**

TEXAS DEPARTMENT OF INSURANCE,

Petitioner

v.

ADAM ABDUL BADI SANDERS,

Respondent

BEFORE THE STATE OFFICE

ACCEPTED
454-22-2571
5/3/2022 10:11:11 am
STATE OFFICE OF
ADMINISTRATIVE HEARINGS
Carol Hale, CLERK

OF

ADMINISTRATIVE HEARINGS

NOTICE OF HEARING

The Texas Department of Insurance seeks to take disciplinary action against you. This Notice of Hearing and the Original Petition, which is attached and incorporated for all purposes, states the allegations against you and the relief sought by the Department.

A public hearing will be held before an Administrative Law Judge on **Tuesday, August 2, 2022, at 9:00 a.m.** The hearing will take place via videoconference using a videoconference platform controlled by the State Office of Administrative Hearings, unless otherwise ordered to proceed in another manner by the Administrative Law Judge.

The hearing shall be conducted under TEX. GOV'T CODE, ch. 2001 and 1 TEX. ADMIN. CODE, ch. 155. Unless otherwise directed by the Administrative Law Judge, the hearing shall continue from day to day in the offices of the State Office of Administrative Hearings until concluded. You have the right to appear at this hearing and to be represented by an attorney.

Parties that are not represented by an attorney may obtain information regarding contested case hearings on the public website of the State Office of Administrative Hearings at www.soah.texas.gov, or in printed format upon request to SOAH.

YOU MUST FILE A WRITTEN RESPONSE TO THE NOTICE OF HEARING WITH THE STATE OFFICE OF ADMINISTRATIVE HEARINGS WITHIN 20 DAYS OF THE DATE THE NOTICE OF HEARING WAS MAILED. FAILURE TO FILE A WRITTEN RESPONSE BY THIS DEADLINE SHALL ENTITLE TDI TO SEEK DISPOSITION BY DEFAULT UNDER 1 TEX. ADMIN. CODE § 155.501 AND 28 TEX. ADMIN. CODE §§ 1.88 AND 1.89.

EXHIBIT
A

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Notice of Hearing

Adam Abdul Badi Sanders

SOAH Docket No. 454-22-2571

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IF YOU FAIL TO FILE A WRITTEN RESPONSE, THE SCHEDULED HEARING CAN BE CANCELED AND WITHOUT FURTHER NOTICE TO YOU THE COMMISSIONER OF INSURANCE CAN ISSUE AN ORDER IN WHICH THE ALLEGATIONS IN THE NOTICE OF HEARING ARE DEEMED ADMITTED AS TRUE AND THE RELIEF SOUGHT IN THE NOTICE OF HEARING, INCLUDING REVOCATION OF YOUR LICENSE, IS GRANTED BY DEFAULT.

IF YOU FILE A WRITTEN RESPONSE BUT THEN FAIL TO APPEAR ON THE DAY AND TIME SET FOR HEARING, WITHOUT FURTHER NOTICE TO YOU, THE COMMISSIONER OF INSURANCE CAN ISSUE AN ORDER IN WHICH THE ALLEGATIONS IN THE NOTICE OF HEARING ARE DEEMED ADMITTED AS TRUE AND THE RELIEF SOUGHT IN THE NOTICE OF HEARING, INCLUDING REVOCATION OF YOUR LICENSE, IS GRANTED BY DEFAULT.

In accord with 28 TEX. ADMIN. CODE § 1.90(e) and 1 TEX. ADMIN. CODE §§ 155.101 and 155.103, you should send copies of your written response to:

- (1) *(by mail, fax, or electronically)*
Docketing Division
State Office of Administrative Hearings
300 West 15th Street, Room 504
P.O. Box 13025
Austin, Texas 78711-3025
(512) 322-2061 (Fax);
www.soah.texas.gov/e-filing-soah
- (2) *(by mail, fax, or email)*
Chief Clerk
Texas Department of Insurance
P.O. Box 12030, MC GC-CCO
Austin, Texas 78711-2030
(512) 490-1064 (Fax)
chiefclerk@tdi.texas.gov; and
- (3) *(by mail, fax, or email)*
Anna Kalapach, Staff Attorney
Texas Department of Insurance
Enforcement Division, MC ENF

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Notice of Hearing

Adam Abdul Badi Sanders

SOAH Docket No. 454-22-2571

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P.O. Box 12030
Austin, Texas 78711-2030
(512) 490-1020 (Fax)
anna.kalapach@tdi.texas.gov

Receiving Documents Electronically and Filing Documents with SOAH

The State Office of Administrative Hearings (SOAH) offers you the ability to electronically receive orders and other documents issued by SOAH by email instead of by mail. If you want to receive SOAH-issued documents by email, follow the instructions on SOAH's website: www.soah.texas.gov.

A request to receive SOAH-issued documents by email does not change the procedures you must follow to file documents with SOAH. You may file documents with SOAH by mail, fax, or electronically. To file electronically, you must use eFileTexas. Instructions on using eFileTexas are on SOAH's website. SOAH's website also includes guidance for representing yourself.

Important Security Notice (for In-Person Hearings ONLY)

ALL VISITORS TO THE WILLIAM P. CLEMENTS BUILDING WITHOUT AN AGENCY OR DPS ISSUED ID CARD MUST PROVIDE THE BUILDING SECURITY OFFICER WITH THE STATE OFFICE OF ADMINISTRATIVE HEARINGS DOCKET NUMBER AND RECEIVE A VISITOR'S PASS IN ORDER TO BE ALLOWED ACCESS TO THE HEARING ROOM. INDIVIDUALS SHOULD ALLOW ADDITIONAL TIME TO GO THROUGH THE SECURITY PROCESS.

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Notice of Hearing

Adam Abdul Badi Sanders

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If you have any questions, please contact me at the address or telephone number shown below.

Respectfully Submitted,



Anna Kalapach
State Bar No. 24083290
Texas Department of Insurance
Enforcement Division, MC ENF
P.O. Box 12030
Austin, Texas 78711-2030
(512) 676-6326 (Direct)
(512) 490-1020 (Fax)
anna.kalapach@tdi.texas.gov

ATTORNEY FOR THE PETITIONER
TEXAS DEPARTMENT OF INSURANCE

Enclosure: Original Petition

cc: Leah Gillum, Deputy Commissioner, Enforcement Division, MC ENF
Rachel Cloyd, Litigation Director, Enforcement Division, MC ENF
Administrative Review, MC CO-AAL

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Notice of Hearing
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CERTIFICATE OF SERVICE

I, Anna Kalapach, certify that a true and correct copy of the *Notice of Hearing and the Original Petition* were sent by the following methods, on this 3rd day of May, 2022 to:

Adam Abdul Badi Sanders
[REDACTED]
Philadelphia, PA 19139-3111
Respondent Pro Se

Via First Class Mail
Via CM/RRR: 9214 8901 9403 8375 0454 17
Via Email to:

[REDACTED]; and
Via Fax to: [REDACTED]

Adam Abdul Badi Sanders
[REDACTED]
Blue Bell, PA 19422-1952

Via First Class Mail
Via CM/RRR: 9214 8901 9403 8375 0456 60



Anna Kalapach

2022-7340

FILED
454-22-2571
4/29/2022 11:40 AM
STATE OFFICE OF
ADMINISTRATIVE HEARINGS
Carol Hale, CLERK

SOAH DOCKET NO. 454-22-2571
TDI ENFORCEMENT FILE NO. 27065

TEXAS DEPARTMENT OF INSURANCE,

Petitioner

v.

ADAM ABDUL BADI SANDERS,

Respondent

BEFORE THE STATE OFFICE

ACCEPTED
454-22-2571
4/29/2022 11:39:49 pm
STATE OFFICE OF
ADMINISTRATIVE HEARINGS
Carol Hale, CLERK

OF

ADMINISTRATIVE HEARINGS

ORIGINAL PETITION

The Texas Department of Insurance seeks to take disciplinary action against Adam Abdul Badi Sanders. In support of this petition, the department makes the following allegations upon information and belief:

Jurisdiction

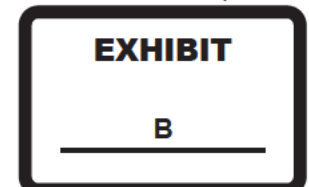
The Commissioner of Insurance has jurisdiction over this matter under TEX. INS. CODE §§ 82.051-82.055, 4001.002, 4003.007, 4005.101, 4005.102, 4054.051 and 4056.025¹; and TEX. GOV'T CODE §§ 2001.051-2001.178.

Factual Allegations

Licensure and Home State Revocation

1. Adam Abdul Badi Sanders (Sanders), individual identification number 1416676, holds a non-resident general lines agent license with a life, accident, health, and HMO qualification issued by the department on February 21, 2020. Sanders also previously held the same kind of license from November 17, 2014, until May 13, 2017, when it expired due to his failure to renew it.

¹ All citation to TEX. INS. CODE § 4056.052 in this Original Petition refers to the law in effect prior to H.B. 4030 (87th R.S.), effective September 1, 2021. Section 19 of H.B. 4030 adds subsection (c) to Section 4056.052, which contemplates automatic suspension, cancellation, or revocation if the licensee's home state suspends, cancels, or revokes the licensee's corresponding resident license.



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Adam Abdul Badi Sanders

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2. Sanders's current non-resident license is set to expire on May 31, 2022. However, under TEX. INS. CODE § 4003.007, Sanders may still attempt to renew his license within 90 days thereafter.
3. Sanders has a Texas non-resident license because he lives in Pennsylvania. This license type requires that Sanders have a resident license in good standing in his home state of Pennsylvania.
4. On February 8, 2021, the Insurance Department of the Commonwealth of Pennsylvania (Pennsylvania DOI) revoked Sanders's resident producer license.

Disciplinary Action in Pennsylvania

5. On November 5, 2019, the Pennsylvania DOI issued a consent order in Docket No. CO19-10-011, which ordered Sanders to pay a civil penalty of \$1,000 and placed him on five years supervision. Sanders signed the consent order which stated that:
 - a. On May 27, 2017, in case number CP-51-CR-0005863-2017 in the Court of Common Pleas of Philadelphia County, Pennsylvania, Sanders was charged with Strangulation, a felony, and multiple misdemeanors, including Terroristic Threats, Simple Assault, Disorderly Conduct, and Criminal Mischief.
 - b. Sanders failed to notify the Pennsylvania DOI of these criminal charges within 30 days.
 - c. The Pennsylvania DOI issued a warning letter to Sanders on July 10, 2017, for failing to report the criminal charges.
 - d. On February 22, 2019, in the same criminal matter, Sanders pled guilty to two misdemeanors, Disorderly Conduct and Criminal Mischief. Sanders then failed to notify the Pennsylvania DOI of the final disposition.
 - e. On July 30, 2019, Sanders submitted a renewal application to the Pennsylvania DOI and improperly answered "no," to the question "Have you ever been convicted of a misdemeanor, judgment withheld or deferred..."

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Adam Abdul Badi Sanders

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- f. Sanders agreed to cease and desist from certain activities described in the consent order.
6. On November 16, 2020, the Pennsylvania DOI suspended Sanders's resident producer license. The letter to Sanders regarding the suspension states:
 - a. The consent order, Docket No. CO19-10-011, fined Sanders \$1,000 and placed him on five years of supervision for failing to notify the Pennsylvania DOI of his criminal charges and the final disposition of those charges within 30 days. Sanders agreed to cease and desist from those activities.
 - b. On May 11, 2020, in case number MC-51-CR-0008934-2020 in the Municipal Court of Philadelphia County, Pennsylvania, Sanders was charged with Robbery, a felony, and multiple misdemeanors, including Theft by Unlawful Taking, Receiving Stolen Property, Simple Assault, and Recklessly Endangering Another Person. Sanders failed to notify the Pennsylvania DOI of these criminal charges within 30 days.
 - c. On June 8, 2020, in case number MC-51-CR-0011365-2020 in the Municipal Court of Philadelphia County, Pennsylvania, Sanders was charged with Possession of a Controlled Substance, a misdemeanor. Sanders failed to notify the Pennsylvania DOI of this charge and final disposition within 30 days.
7. On February 8, 2021, the Pennsylvania DOI revoked Sanders's license because Sanders failed to actively seek a hearing challenging his suspension.

Disciplinary Action in South Carolina

8. On April 21, 2021, South Carolina Department of Insurance (South Carolina DOI) revoked Sanders's license to do business as a non-resident insurance producer within the State of South Carolina because Sanders no longer holds a license in good standing in his home state of Pennsylvania.

Failure to Notify TDI of Administrative Actions

9. Sanders has not notified the department of the administrative actions taken by two other states' regulators. Specifically, Sanders has not notified the department of

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Adam Abdul Badi Sanders

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the suspension and later revocation of his license by the Pennsylvania DOI and the revocation of his non-resident insurance producer by the South Carolina DOI.

Material Misstatement and Obtaining a License by Misrepresentation

10. On February 13, 2020, Sanders submitted his application for his current license to the department.
11. The application asked Sanders "Have you ever been named or involved as a party in an administrative proceeding, including FINRA sanction or arbitration proceeding regarding any professional or occupational license or registration?" The application clarified that "involved" means "having a license censured, suspended, revoked, canceled, terminated; or, being assessed a fine, a cease and desist order, a prohibition order, a compliance order, placed on probation, sanctioned or surrendering a license to resolve an administrative action."
12. Sanders falsely answered "no," and failing to disclose the November 15, 2019, consent order issued by Pennsylvania DOI, which assessed a civil penalty and in which he agreed to cease and desist from certain activities.

Not Actively Engaged in Soliciting or Writing Insurance

13. On May 13, 2017, Sanders's only active appointments with Medco Containment Life Insurance Company and Silverscript Insurance Company were canceled.
14. For over four years, Sanders has held no active appointment with any insurer and no intent to engage in the business of insurance. He is therefore not actively engaged in soliciting or writing insurance for the public.

Legal Allegations

1. Sanders does not hold a license in good standing in his home state of residence, as required by TEX. INS. CODE § 4056.052, and is no longer qualified to hold a non-resident license in Texas.
2. Sanders failed to notify the department, on a monthly basis, of administrative actions taken against him by two insurance regulators of other states, in violation of TEX. INS. CODE § 4001.252(a)(3).

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3. Sanders has also committed acts for which a license holder may be disciplined under TEX. INS. CODE §§ 4005.101 and 4005.102, because he:
 - a. has willfully violated insurance laws of this state, in violation of TEX. INS. CODE § 4005.101(b)(1);
 - b. intentionally made a material misstatement in his application for a non-resident general lines agent license, in violation of TEX. INS. CODE § 4005.101(b)(2);
 - c. obtained a license by fraud or misrepresentation, in violation of TEX. INS. CODE § 4005.101(b)(3);
 - d. has engaged in fraudulent or dishonest acts or practices, in violation of TEX. INS. CODE § 4005.101(b)(5); and
 - e. is not actively engaged in soliciting or writing insurance for the public generally, in violation of TEX. INS. CODE § 4005.101(b)(10).

Relief Sought

If one or more of the above allegations is found to be true, the department asks the Administrative Law Judge to enter a Proposal for Decision recommending that the Commissioner of Insurance issue an order:

1. revoking Adam Abdul Badi Sanders's license; and
2. imposing any other just and appropriate relief to which the department may be entitled to by law, including any combination of the above actions.

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Original Petition

Adam Abdul Badi Sanders

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Respectfully Submitted,

A handwritten signature in black ink that reads "A Kalapach" with a long horizontal flourish extending to the right.

Anna Kalapach
State Bar No. 24083290
Texas Department of Insurance
Enforcement Division, MC ENF
P.O. Box 12030
Austin, Texas 78711-2030
(512) 676-6326 (Direct)
(512) 490-1020 (Fax)
anna.kalapach@tdi.texas.gov
ATTORNEY FOR THE PETITIONER
TEXAS DEPARTMENT OF INSURANCE



Shipment Confirmation
Acceptance Notice

A. Mailer Action

Note to Mailer: The labels and volume associated to this form online, **must** match the labeled packages being presented to the USPS® employee with this form.

Shipment Date: 05/03/2022
 Shipped From:
 Name: MC 110-1A D MORENO
 Address: 333 GUADALUPE ST
 City: AUSTIN
 State: TX ZIP+4® 78701

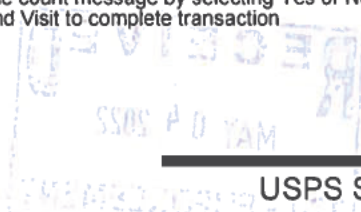
Type of Mail	Volume
Priority Mail Express®	
Priority Mail®	0
First-Class Package Service®	
Returns	
International*	
Other	2
Total	2

*Start time for products with service guarantees will begin when mail arrives at the local Post Office™ and items receive individual processing and acceptance scans.

B. USPS Action

- Note to RSS Clerk:
1. Home screen > Mailing/Shipping > More
 2. Select Shipment Confirm
 3. Scan or enter the barcode/label number from PS Form 5630
 4. Confirm the volume count message by selecting Yes or No
 5. Select Pay and End Visit to complete transaction

USPS EMPLOYEE: Please scan upon pickup or receipt of mail.
 Leave form with customer or in customer's mail receptacle.



USPS SCAN AT ACCEPTANCE



9275 0901 1935 6200 0036 4885 05



Kalapach/27065

