



COMMONWEALTH OF MASSACHUSETTS
Office of Consumer Affairs and Business Regulation
DIVISION OF INSURANCE

1000 Washington Street • Suite 810 • Boston, MA 02118-6200
(617) 521-7794 • FAX (617) 521-7475
<http://www.mass.gov/doi>

CHARLES D. BAKER
GOVERNOR

KARYN E. POLITO
LIEUTENANT GOVERNOR

JAY ASH
SECRETARY OF HOUSING AND
ECONOMIC DEVELOPMENT

JOHN C. CHAPMAN
UNDERSECRETARY

DANIEL R. JUDSON
COMMISSIONER OF INSURANCE

October 6, 2015

Michael T. Snedeker
61 Woodland Road
Waltham, MA 02451

RE: Michael T. Snedeker – SIU Investigation No. 8373B

Dear Mr. Snedeker:

I represent the Massachusetts Division of Insurance (“Division”) with regard to the above-captioned investigation. Pursuant to an investigation conducted by the Division’s Special Investigations Unit, the Division has cause to believe that you have violated the Massachusetts insurance laws set forth below by the conduct detailed in this settlement letter.

This case was opened on May 29, 2012 when the Division’s Special Investigations Unit was informed that you failed to notify the Division of an administrative action against you by the Massachusetts Securities Division. On or about October 27, 2010 you entered into a consent order with the Massachusetts Securities Division. The order, recorded by FINRA, states that you violated the Massachusetts Uniform Securities Act and the code of Massachusetts regulations by engaging in dishonest and unethical conduct, namely, switching clients between variable annuities to generate commissions and charging clients excessive advisory fees on their variable annuities. Furthermore, although you reported the action on your firms U-4 registration within thirty days, you did not notify the Division until October 23, 2012 when your license renewal application was received.

In addition, on September 30, 2015 you plead guilty to one felony count of Conspiracy to Defraud the United States, in the United States District Court, District of Massachusetts. With the plea agreement you admitted to your role in conspiring to file false tax returns by under representing and underreporting income, as well as payments made to contractors (including your co-defendant) during your time managing a property owned by Boston Society of New Jerusalem Church on Beacon Hill.

The conduct described above is evidence of the following violations:

A producer shall report to the commissioner any administrative action taken against the producer in another jurisdiction or by another governmental agency in the Commonwealth within 30 days of the final disposition of the matter. M.G.L. c. 175, § 162V(a). Pursuant to M.G.L. c. 175, § 194, the penalty for each violation of M.G.L. c. 175, §162V (a) is a fine of up to \$500.

Having been convicted of a felony, a violation of M.G.L. c. 175 § 162R(a)(6). Such conduct may result in your insurance license being placed on probation, suspended or revoked pursuant to M.G.L. c. 175 § 162R(a), as well as the imposition of a fine up to \$1,000 for each and every violation as provided under M.G.L. c. 176D, § 7.

Using fraudulent, coercive, or dishonest practices, or demonstrating incompetence, untrustworthiness or financial irresponsibility in the conduct of business in the Commonwealth or elsewhere in violation of M.G.L. c. 175 § 162R(a)(8). Such conduct may result in your insurance license being placed on probation, suspended or revoked pursuant to M.G.L. c. 175 § 162R(a), as well as the imposition of a fine up to \$1,000 for each and every violation as provided under M.G.L. c. 176D, § 7.

The Division is authorized to issue an order requiring you to show cause why you should not be made to cease and desist from the above alleged conduct. If, after a public hearing, the Commissioner of Insurance finds that you did commit the alleged violations, he may impose a fine up to the amounts listed above, as well as a revocation of your Massachusetts insurance producer license pursuant to M.G.L. c. 175 § 162R(a) and c. 176D § 7.

The Division proposes to resolve this matter through a settlement if you agree to waive the right to a public hearing, agree to cease and desist from the above-alleged conduct and agree to a revocation of your license. **Although the Division has authority to do so, for the purpose of this settlement agreement, the Division agrees not to impose a fine.**

If you choose to accept the Division's offer, please sign the enclosed *Settlement Agreement* where indicated, and return it to my attention on or before **October 23, 2015**. Although this correspondence does not constitute the required statutory notice of a public hearing, if this matter is not resolved by **October 23, 2015**, the Division intends to file its Order to Show Cause and will notify you of the hearing date.

Thank you for your prompt attention to this matter. Should you have any questions or wish to discuss this matter further, I may be reached at (617) 521 – 7321 or via email at Matthew.Burke@state.ma.us.

Sincerely,

Matthew M. Burke
Counsel to the Commissioner