

STATE OF MICHIGAN
DEPARTMENT OF LABOR AND ECONOMIC GROWTH
OFFICE OF FINANCIAL AND INSURANCE SERVICES

Before the Commissioner of the Office of Financial and Insurance Services

Office of Financial and Insurance Services

Petitioner

Enforcement Case No. 05-3168

Michael R. Kay
License No

Respondent
_____ /

For the Petitioner:

Tracy Post (P62602)
Office of Financial and Insurance Service
611 W. Ottawa, 3rd Floor
Lansing, MI 48933
(517) 373-2887
FAX (517) 241-3953
_____ /

For the Respondent:

Michael R. Kay
c/o Gregory I. Thomas (P32488)
Thomas, DeGroot & Witenoff
400 Galleria Officentre, Suite 550
Southfield, MI 48034
(248) 353-4450
FAX (248) 353-4451

Issued and entered
on 23 January, 2007
by Frances K. Wallace
Chief Deputy Commissioner

CONSENT ORDER AND STIPULATION

A. Findings of fact and conclusions of law

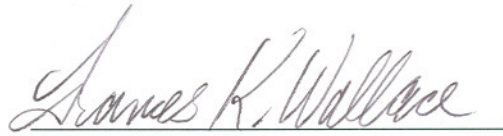
1. At all pertinent times, Michael R. Kay ("Respondent"), license # _____, was a licensed resident producer authorized to transact insurance in the State of Michigan.

2. Respondent knew, or had reason to know, that Section 2005(a) of the Code provides that an unfair method of competition and an unfair or deceptive act or practice in the business of insurance means the making, issuing, circulating, or causing to be made, issued, or circulated, an estimate, illustration, circular, statement, sales presentation, or comparison which by omission of a material fact or incorrect statement of a material fact misrepresents the terms, benefits, advantages, or conditions of an insurance policy.
3. As a licensed resident producer, Respondent knew, or had reason to know, that Section 1239(1)(h) provides that the commissioner may place on probation, suspend, and revoke an insurance producer's license for using fraudulent, coercive, or dishonest practices or demonstrating incompetence, untrustworthiness, or financial irresponsibility in the conduct of business in this state or elsewhere.
4. From the period of February 2003 to December 2005, The Office of Financial and Insurance Services received four complaints from consumers alleging that the Respondent misrepresented the terms, benefits, advantages, or conditions of an insurance policy.
5. On or about November 28, 2006 OFIS issued a Complaint in this matter alleging violations of Sections 2005(a) and 1239(1)(h) of the Insurance Code. On or about December 29, 2006, Respondent filed his Answer to Complaint. The Respondent denied all alleged violations in his Answer.
6. In order to bring this matter to a conclusion, the parties have agreed to stipulate to the entry of an order, wherein Respondent will pay a civil fine of \$1,000. The status of the Respondent's insurance producer license will be unchanged as a result of this settlement.

B. ORDER

Based on the findings of fact and conclusions of law above and Respondent's stipulation, it is ORDERED that:

1. Respondent shall refrain from any omission of a material fact or incorrect statement of a material fact which misrepresents the terms, benefits, advantages, or conditions of an insurance policy. Respondent shall adhere to and abide by all relevant sections of the Michigan Insurance Code, MCL 500.100, et. seq.
2. Respondent shall pay a civil fine or penalty of \$1,000.00.
3. OFIS will close the pending enforcement file.

A handwritten signature in cursive script that reads "Frances K. Wallace". The signature is written in black ink and is positioned above a horizontal line.

Frances K. Wallace
Chief Deputy Commissioner