

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

Before the Director of the Department of Insurance and Financial Services

In the matter of:

ESMERANDA OSMANOVIC
System ID No. 0670952

ENFORCEMENT CASE NO. 14-11953

Respondent.

_____ /

Issued and entered
on June 5, 2014
By **Teri L. Morante**
Chief Deputy Director

ORDER ACCEPTING STIPULATION

Based upon the Stipulation to Entry of Order and the files and records of the Department of Insurance and Financial Services in this matter, the Chief Deputy Director finds and concludes that:

1. Pursuant to Executive Order 2013-1, all authority, powers, duties, functions, and responsibilities of the Commissioner of the Office of Financial and Insurance Regulation (Commissioner) have been transferred to the Director of the Department of Insurance and Financial Services (DIFS).
2. The Chief Deputy Director has jurisdiction and authority to adopt and issue this Order Accepting Stipulation in this proceeding pursuant to the Michigan Administrative Procedures Act of 1969 (APA), as amended, MCL 24.201 et seq., and the Michigan Insurance Code of 1956 (Code), MCL 500.100 et seq.
3. All required notices have been issued in this case, and the notices and service thereof were appropriate and lawful in all respects.
4. Acceptance of the Stipulation to Entry of Order is reasonable and in the public interest.
5. All applicable provisions of the APA have been met.
6. Respondent violated Section 1201a of the Code that provides it is a violation for a person to sell, solicit, and negotiate insurance in this state for any line of insurance without first obtaining a license or qualification for that line. MCL 500.1201a(1).
7. According to DIFS' records, Esmeranda Osmanovic (Osmanovic) is not licensed to sell, solicit or negotiate insurance in the state of Michigan.

8. Osmanovic sold, solicited and negotiated automobile insurance policies at Affordable Insurance Agency III, Inc. (Affordable Insurance) located at 37053 S. Gratiot, Clinton Township, Michigan 48036. According to DIFS' records, Samier Mishkooor is the only licensed insurance producer affiliated with Affordable Insurance.
9. During a DIFS record review and investigation of Affordable Insurance's business activities, two consumers identified Osmanovic by name as the person who solicited, sold, and negotiated their automobile insurance policies.
10. More specifically, DIFS obtained an Affordable Insurance business card where Osmanovic held herself out to the public as an individual being lawfully able to sell, solicit and negotiate insurance in Michigan from Affordable Insurance's Clinton Township location. The card informed the public that she was able to bind coverage and offer "immediate proofs" of insurance; these are transactions that only a licensed insurance producer can conduct.
11. Additionally, on or about September 25, 2013, Customer R.J. went to Affordable Insurance to purchase automobile insurance. R.J. was assisted by Osmanovic. R.J. paid the policy's premium and, in exchange for the premium received, Osmanovic issued a Michigan Certificate of No-Fault Insurance to R.J. underwritten by Arrowhead Insurance.
12. Osmanovic held herself out to the public as being able to lawfully sell, solicit and negotiate automobile insurance policies. She did sell, solicit and negotiate automobile insurance policies in violation of Section 1201a(1) of the Code, MCL 500.1201a(1), by soliciting automobile insurance policies to customers from specific auto insurers, accepting premium in exchange for certificates of insurance and purporting to bind coverage effective on the date of purchase without the required license.

Now therefore, based upon the Stipulation to Entry of Order and the facts surrounding this case, **IT IS ORDERED THAT:**

13. Respondent shall immediately cease and desist from operating in such a manner as to violate Section 1201a(1) of the Code, MCL 500.1201a(1).
14. Respondent is assessed a civil fine of \$1,000 payable to the state of Michigan.
15. The Chief Deputy Director retains jurisdiction over the matters contained herein and has the authority to issue such further order(s) as shall be deemed just, necessary, and appropriate in accordance with the Code. Failure to abide by the terms and provisions of the Stipulation to Entry of Order and this Order may result in the commencement of additional proceedings.


Teri L. Morante
Chief Deputy Director

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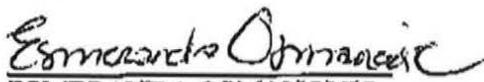
Respondent.

STIPULATION TO ENTRY OF ORDER

ESMERANDA OSMANOVIC (hereinafter Respondent) stipulates to the following:

1. On or about March 20, 2014, the Department of Insurance and Financial Services (DIFS) served Respondent with an Order to Cease and Desist With Statement of Findings And Notice of Opportunity for Hearing (C & D) alleging that Respondent violated provisions of the Insurance Code of 1956 (Code), MCL 500.100 *et seq.*
2. Specifically, the C & D contained allegations that Respondent violated Section 1201a of the Code that provides it is a violation for a person to sell, solicit, and negotiate insurance in this state for any line of insurance without first obtaining a license or qualification for that line. MCL 500.1201a(1).
3. Respondent held herself out to the public as being able to lawfully sell, solicit and negotiate automobile insurance policies. She did sell, solicit and negotiate automobile insurance policies in violation of Section 1201a(1) of the Code, MCL 500.1201a(1), by soliciting automobile insurance policies at Affordable Insurance Agency, III, Inc. in Clinton Township to customers from specific auto insurers, accepting premium in exchange for certificates of insurance and purporting to bind coverage effective on the date of purchase.
4. Respondent exercised the right to an opportunity to show compliance pursuant to the Michigan Administrative Procedures Act (APA), MCL 24.201 *et seq.* Compliance was not shown.
5. Respondent and DIFS conferred for the purpose of resolving this matter.
6. All parties have complied with the procedural requirements of the APA and the Code.
7. Respondent agrees that she will cease and desist from operating in a manner that violates MCL 500.1201a(1).

8. Respondent agrees that within 60 days from the date of the Order she will complete the minimum requirements for licensure as an insurance producer.
9. Respondent agrees that she will pay to the state of Michigan, through DIFS, a civil fine in the amount of \$1,000. Respondent further agrees to pay the fine within 30 days of the invoice date as indicated on the DIFS invoice.
10. Respondent understands and agrees that this Stipulation to Entry of Order will be presented to the Chief Deputy Director for approval.
11. The Chief Deputy Director may, in her sole discretion, decide to accept or reject this Stipulation to Entry of Order. If the Chief Deputy Director accepts the Stipulation to Entry of Order; Respondent waives the right to a hearing in this matter and consents to the entry of the Order Accepting Stipulation. If the Chief Deputy Director does not accept the Stipulation to Entry of Order, Respondent waives any objection to the Director holding a formal administrative hearing and making her decision after such hearing.
12. Respondent has had an opportunity to review this Stipulation to Entry of Order and the proposed Order Accepting Stipulation and have the same reviewed by legal counsel.
13. It is further stipulated that failure to comply with the Order of the Director accepting this settlement by failing to pay the administrative and civil fines as set forth above shall result in the commencement of an action that may bar the Respondent from becoming a licensed insurance producer in the state of Michigan.
14. It is further stipulated that the amount of fines and/or fees has been negotiated in return for the avoidance of further proceedings and certain promises and conditions, one of which is the timely payment of said fines and/or fees. Should Respondent fail to pay the fines and/or fees in accordance with the terms of this Stipulation and the Director's Order, the parties agree that an action will commence to determine if the Respondent has, in fact, failed to pay, and, if so, Respondent agrees that the fines and/or fees will immediately increase to the maximum amount allowed under the Code and shall be immediately due in full.


ESMERANDA OSMANOVIC
System ID No. 0670952

05/31/2014
Date

DIFS' staff approve this stipulation and recommend that the Chief Deputy Director issue the above Consent Order.


Elizabeth V. Bolden (P69865)
DIFS Staff Attorney

June 2, 2014
Date