

STATE OF MICHIGAN
DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES

Before the Director of the Department of Insurance and Financial Services

In the matter of:

Sonya M. Kory-Haio
System ID No. 0155821

Enforcement Case No. 14-12173

Respondent.

_____ /

Issued and entered
on December 1, 2015
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 (DIFS) 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. At all relevant times, Sonya Kory-Haio (Respondent) was an active resident insurance producer with qualifications in Life and Variable Annuities and her license is currently active.
7. In June and August of 2007, Respondent assisted in submitting fraudulent mortgage loan applications and related documents to Washington Mutual Bank for two different residential properties. Specifically, Respondent misrepresented that the purchasers had

sufficient funds in the bank to provide the down payments at closing. Respondent concealed the balance of the two accounts by providing fraudulent verification of deposit statements that were submitted with the corresponding loan packages. Respondent was paid \$500 to provide each of the false verification of deposit statements.

8. On March 4, 2014, Respondent pled guilty to Count 1 of the indictment - Misprison of Bank Fraud, a felony. Respondent was sentenced to two years' probation, fined \$100, and ordered to pay restitution in the amount of \$901,998.
9. On May 8, 2014, Respondent reported her March 4, 2014, felony Plea Agreement to DIFS Staff via letter and fax.
10. Respondent failed to report her conviction within 30 days of the initial pretrial hearing date as required by MCL 500.1247(2).
11. As a licensee, Respondent knew or had reason to know that Section 1247(2) of the Code, MCL 500.1247(2), states that:

(2) Within 30 days after the initial pretrial hearing date, an insurance producer shall report to the commissioner any criminal prosecution of the insurance producer taken in any jurisdiction. The report shall include a copy of the initial complaint filed, the order resulting from the hearing, and any other relevant legal documents.

12. By failing to report the criminal conviction to DIFS within 30 days of the initial pretrial hearing date, Respondent has violated MCL 500.1247(2).
13. As a licensee, Respondent knew or had reason to know that Section 1239(1)(h) of the Code, MCL 500.1239(1)(h), states that:

(1) In addition to any other powers under this act, the commissioner may place on probation, suspend, or revoke an insurance producer's license or may levy a civil fine under section 1244 or any combination of actions, and the commissioner shall refuse to issue a license under section 1205 or 1206a, for any 1 or more of the following causes:

(h) Using fraudulent, coercive, or dishonest practices or demonstrating incompetence, untrustworthiness, or financial irresponsibility in the conduct of business in this state or elsewhere.

14. Respondent has provided justification for sanctions, pursuant to Section 1239(1)(h) of the Code, MCL 500.1239(1)(h), by concealing the balance of the two bank accounts and providing fraudulent verification of deposit statements that were submitted with the corresponding loan packages.
15. Based upon the actions listed above, Respondent has committed acts that provide justification for the Director to order the payment of a civil fine, and/or other licensing sanctions, up to and including revocation of licensure.
16. Respondent and DIFS and respective counsel did confer for the purpose of resolving this matter.

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

17. Respondent shall cease and desist from operating in a manner that violates the Code.
18. Respondent is prohibited from selling, soliciting or negotiating insurance.
19. Respondent's resident insurance producer license (System ID No. 0155821) shall be surrendered in lieu of revocation effective January 1, 2016.
20. 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

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

Before the Director of the Department of Insurance and Financial Services

In the matter of:

Sonya M. Kory-Haio
System ID No. 0155821

Enforcement Case No. 14-12173

Respondent.

_____ /

STIPULATION TO ENTRY OF ORDER

Sonya M. Kory-Haio (Respondent) stipulates to the following:

1. At all relevant times, Respondent was an active resident insurance producer with a qualifications in Life and Variable Annuities and her license is currently active.
2. On or about February 20, 2015, the Department of Insurance and Financial Services (DIFS) served Respondent with a Notice of Opportunity to Show Compliance (NOSC) alleging that Respondent violated provisions of the Insurance Code of 1956 (Code), MCL 500.100 *et seq.*
3. Specifically, the NOSC contained allegations that Respondent violated the Michigan Insurance Code as outlined below.
4. In June and August of 2007, Respondent assisted in submitting fraudulent mortgage loan applications and related documents to Washington Mutual Bank for two different residential properties. Specifically, Respondent misrepresented that the purchasers had sufficient funds in the bank to provide the down payments at closing. Respondent concealed the balance of the two accounts by providing fraudulent verification of deposit statements that were submitted with the corresponding loan packages. Respondent was paid \$500 to provide each of the false verification of deposit statements.
5. On March 4, 2014, Respondent pled guilty to Count 1 of the indictment - Misprison of Bank Fraud, a felony. Respondent was sentenced to two years' probation, fined \$100, and ordered to pay restitution in the amount of \$901,998.
6. On May 8, 2014, Respondent reported her March 4, 2014, felony Plea Agreement to DIFS Staff via letter and fax.
7. Respondent failed to report her conviction within 30 days of the initial pretrial hearing date as required by MCL 500.1247(2).

8. As a licensee, Respondent knew or had reason to know that Section 1247(2) of the Code, MCL 500.1247(2), states that:

(2) Within 30 days after the initial pretrial hearing date, an insurance producer shall report to the commissioner any criminal prosecution of the insurance producer taken in any jurisdiction. The report shall include a copy of the initial complaint filed, the order resulting from the hearing, and any other relevant legal documents.

9. By failing to report the criminal conviction to DIFS within 30 days of the initial pretrial hearing date, Respondent has violated MCL 500.1247(2).

10. As a licensee, Respondent knew or had reason to know that Section 1239(1)(h) of the Code, MCL 500.1239(1)(h), states that:

(1) In addition to any other powers under this act, the commissioner may place on probation, suspend, or revoke an insurance producer's license or may levy a civil fine under section 1244 or any combination of actions, and the commissioner shall refuse to issue a license under section 1205 or 1206a, for any 1 or more of the following causes:

(h) Using fraudulent, coercive, or dishonest practices or demonstrating incompetence, untrustworthiness, or financial irresponsibility in the conduct of business in this state or elsewhere.

11. Respondent has provided justification for sanctions, pursuant to Section 1239(1)(h) of the Code, MCL 500.1239(1)(h), by concealing the balance of the two bank accounts and providing fraudulent verification of deposit statements that were submitted with the corresponding loan packages.
12. Based upon the actions listed above, Respondents has committed acts that provide justification for the Director to order the payment of a civil fine, and/or other licensing sanctions, up to and including revocation of licensure.
13. Respondent and DIFS and respective counsel conferred for the purpose of resolving this matter.
14. Respondent has waived the right to an opportunity to show compliance pursuant to the Michigan Administrative Procedures Act (APA), MCL 24.201 *et seq.*
15. Respondent agrees that all parties have complied with the procedural requirements of the APA and the Code.

16. Respondent admits to the allegations cited in the NOSC.
17. Respondent agrees that she will immediately cease and desist from operating in a manner that violates the Code.
18. Respondent agrees that she will not sell, solicit or negotiate insurance in the state of Michigan from the date this stipulation is signed.
19. Respondent affirms that her license is no longer in her possession, and as such, cannot be returned. Should she find it at a later date, she agrees to immediately surrender it.
20. Respondent agrees that her resident insurance producer license shall be surrendered in lieu of revocation effective January 1, 2016.
21. 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.
22. Respondent understands and agrees that this Stipulation to Entry of Order will be presented to the Chief Deputy Director for approval.
23. Respondent understands and agrees that 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.



Sonya M. Kory-Haio
System ID No. 0155821

11/26/15

Date

DIFS Staff approve this Stipulation and recommend that the Chief Deputy Director accept it and issue an Order Accepting Stipulation.



Conrad L. Tatnall (P69785)
DIFS Staff Attorney

12-1-15

Date