

**STATE OF MICHIGAN  
DEPARTMENT OF ENERGY, LABOR & ECONOMIC GROWTH  
OFFICE OF FINANCIAL AND INSURANCE REGULATION**

**Before the Commissioner of the Office of Financial and Insurance Regulation**

**In the Matter of:**

**BENJAMIN G. YOUHANNA,  
System ID No. 0418950**

**Enforcement Case No. 09-7502**

**Respondent**

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**CONSENT ORDER AND STIPULATION**

**I.  
FINDINGS OF FACT AND CONCLUSIONS OF LAW**

The Office of Financial and Insurance Regulation ("OFIR") and Benjamin G. Youhanna, (the "Respondent") state the following facts are true and correct:

1. Respondent Benjamin Georges Youhanna is a licensed resident adjuster for the insured with qualifications to transact business as a public adjuster for fire and other hazards. System ID No. 0418950. His principle place of business is located at 30161 Southfield Rd., Suite 120 Southfield, MI 48076.
2. Claims Adjustment, Inc. is a Michigan corporation located at 30161 Southfield Rd., Suite 120, Southfield, MI 48076. Claims, Inc. holds itself out to be a business that operates as an insurance adjuster for the insured. Respondent Youhanna was an independent contractor with Claims, Inc. adjusting firm.
3. On or about, December 22, 2008, OFIR received information that Respondent and Claims Adjustment Inc. received a total of \$120,000 in insurance proceeds in settlement of a fire claim on property owned by a Consumer. The transaction between the Respondent and the Consumer is as follows:
4. On or about, December 20, 2007, the Consumer's home was damaged by a fire. Subsequently, Respondent approached her about having Claims Adjustment Inc. serve as the public adjuster to work with the insurance company to settle the claim for damages suffered by her and her home. The transaction was memorialized in writing in a contract between the Consumer and Claims Adjustment signed by the Consumer (insured) and Respondent on behalf of Claims Adjustment on December 21, 2007. The contract called for an agreement to pay and assign to Claims Adjustment 10% of the total adjusted claim negotiated for the insured's benefit regardless of who effects the adjustment or recovery.

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The Consumer kept her copy of the contract. The Respondent did not keep a copy of the contract for his records.

5. On or about January 21, 2008, Citizens Bank issued a check in the amount of \$96,000 payable to the Consumer, the Mortgage Group and Claims Adjustment. The check was endorsed by the Consumer, the Mortgage Group and Claims, Inc. Claims Inc., is the predecessor company of Claims Adjustment, Inc.
6. On or about May 2, 2008, Citizens Bank issued another check in the amount of \$24,000 payable to Consumer, the Mortgage Group and Claims Adjustment.
7. The Respondent did not provide monthly invoices or statements reflecting disbursement of the Consumer's insurance proceeds. She has yet to receive an accounting of her insurance proceeds despite numerous demands for an accounting.
8. On July 21, 2009, OFIR staff contacted the Respondent for information regarding the above-mentioned contract and disbursement of the settlement proceeds. On four separate occasions the Respondent was not able to provide the documents requested. While Respondent claimed the documents existed at one time, he was not able to reproduce his records from original sources or from third-parties.
9. As a public adjuster, Respondent Youhanna knew or should have known that the Code provides the commissioner with the authority to ascertain the business condition and practices of a public adjuster by examining the accounts, records and documents and transactions of the public adjuster. MCL 500.249.
10. As a public adjuster, Respondent Youhanna knew or should have known that the Code requires him to maintain complete records of each transaction for the insured for a period of at least six (6) years after the termination of the transaction with an insured, and shall be open to examination by the commissioner. MCL 500.1228.
11. Respondent Youhanna violated the Code when he failed to provide OFIR staff with the records of the above-mentioned transaction in violation of the Code.

## II. ORDER

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

1. Respondent shall structure his practice so as not to violate the Michigan Insurance Code, including but not limited to Section 1228 of the Michigan Insurance Code.

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- 2. Respondent shall structure his business practices between third-parties so that no third-party retains possession of records in such a manner that would impair proper and timely production to the insured or the Commissioner.
- 3. Respondent shall pay to the State of Michigan a civil fine of \$500.00 (five hundred dollars and zero cents). Upon execution of this Order, OFIR will send Respondent an Invoice for the civil fine that is payable within 30 days of issuance of the Invoice.

OFFICE OF FINANCIAL AND  
INSURANCE REGULATION

Dated: 5/5/10

Stephen R. Hilker  
Stephen R. Hilker  
Chief Deputy Commissioner

**III.**  
**STIPULATION**

I have read and understand the Consent Order above. I agree that the Commissioner has jurisdiction and authority to issue this Consent Order pursuant to the Michigan Insurance Code. I waive the right to a hearing in this matter if this Consent Order is issued. I understand that the Consent Order and Stipulation will be presented to the Commissioner for approval and the Commissioner may or may not issue this Consent Order. I waive any objection to the Commissioner deciding this case following a hearing in the event the Consent Order is not approved.

Dated: 04/26/10

Benjamin Youhanna  
Benjamin Youhanna  
System ID No. 0418950

The Office of Financial and Insurance Regulation staff approves this stipulation and recommends that the Commissioner issue the above consent order.

Dated: May 3, 2010

Elizabeth V. Bolden  
Elizabeth V. Bolden  
OFIR Staff Attorney

BY