

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

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

**In the matter of:**

**Richard Chengerian,**

**Enforcement Case No. 09-7519**

**Respondent.**

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**ORDER TO CEASE AND DESIST**

The Office of Financial and Insurance Regulation (“OFIR”) pursuant to the Michigan Administrative Procedures Act of 1969, MCL 24.201 et seq., (“APA”) the Michigan Insurance Code (“Code”), as amended, MCL 500.100 et seq., and the Michigan Uniform Securities Act (“Act”), MCL 451.2101 et seq., and the rules promulgated thereunder, allege that the following facts are true and correct as they relate to Respondent Richard Chengerian (“Chengerian”).

**FINDINGS OF FACT**

1. Chengerian is an individual who resides at [REDACTED] Bradenton Florida, 34202.
2. On December 15, 2009, Chengerian published an advertisement in the Grand Rapids Press soliciting and/or marketing for the sale of “Safe Harbor Investments” that “can never lose their value; have a guaranteed minimum 8% annual return; protected from nursing homes & avoids probate.”
3. Chengerian’s December 15, 2009, Grand Rapids Press advertisement solicits the sale of insurance in Michigan on behalf of “Secure Investment Solutions,” a non-existent

business entity that is not authorized as an insurer or licensed as an agency in the State of Michigan.

4. Chengerian is not licensed in Michigan as an insurance producer.
5. Chengerian performed acts in violation of the Code when he:
  - a. Marketed to offer insurance products to Michigan residents.
  - b. Solicited the sale of insurance to Michigan residents through the December 15, 2009, advertisement in the Grand Rapids Press.
  - c. Provided residents with false and misleading statements regarding insurance terms.

#### **CONCLUSIONS OF LAW**

WHEREAS, Section 1201a of the Code, MCL 500.1201(a), states that “[a] person shall not sell, solicit or negotiate insurance in this state for any line of insurance unless the person is licensed for the qualification in accordance with this chapter.”

WHEREAS, Section 251 of the Code, MCL 500.251, states that in the reasonable exercise of discretion, the Commissioner may issue an Order to Cease and Desist if the Commissioner finds any of the following:

- (a) A person is conducting transactions of insurance for which a certificate of authority is required by this act without having obtained a certificate of authority.
- (b) A person is acting as an insurance agent, solicitor, adjuster, or counselor without a license as required by this act.

- (c) A person is engaged in an act or practice in the business of insurance for which authority from or notification to the commissioner is required by this act and the person has not received authority or given notification.

WHEREAS, Chengerian is acting as an insurance agent, solicitor, adjuster, or counselor without a license in violation of MCL 500.251.

WHEREAS, Chengerian is selling, soliciting, or negotiating insurance in this state for a line or lines of insurance without licensure for the qualification required under the Code in violation of MCL 500.1201(a).

WHEREAS, based upon the above-cited conduct, the Commissioner finds that protection of the public requires emergency action in the form of a Cease and Desist Order being entered against Chengerian.

**ORDER**

IT IS THEREFORE ORDERED, pursuant to Section 251 of the Code, MCL 500.251, that:

1. Chengerian shall immediately Cease and Desist from soliciting or transacting any insurance business in the State of Michigan.
2. A certified copy of this Order to Cease and Desist shall be served upon Chengerian forthwith.
3. An administrative hearing on this Order to Cease and Desist shall be promptly afforded to Chengerian, if requested in writing, not later than 30 days after the effective date of this Order, unless Chengerian requests a later date. Any request for a hearing should be addressed to OFIR, Attention: Hearings Coordinator, Dawn Kobus, P.O. Box 30220, Lansing, Michigan 48909.

4. At the hearing, the Commissioner shall determine if the Order to Cease and Desist should be continued or withdrawn. The Commissioner shall announce his decision within 30 days after conclusion of the hearing.
5. Pursuant to MCL 500.251, Chengerian's failure to comply with this Order to Cease and Desist may subject him to "a civil fine of not more than \$25,000.00 for each violation not to exceed an aggregate civil fine of \$250,000.00."
6. The Commissioner specifically retains jurisdiction of the matter contained herein to issue such further orders as he may deem just, necessary or appropriate so as to assure compliance with the law and protect the public interest.

Date: December 17, 2009

OFFICE OF FINANCIAL AND  
INSURANCE REGULATION



Catherine Kirby  
Special Deputy Commissioner