

**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:

HENRIKSON HOPPENS AGENCY,

Enforcement Case No. 09-7123

**HOPPEN'S INC.,
System ID No. 0069548**

**STEVEN HOPPENS, and
System ID No. 0002809**

**GERMAINE HOPPENS
System ID No. 0252967**

Respondents.

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Issued and entered
On Nov 9, 2009
by Stephen R. Hilker
Chief Deputy Commissioner

ORDER TO CEASE AND DESIST

The Office of Financial and Insurance Regulation (OFIR) of the Michigan Department of Labor & Economic Growth, pursuant to the Administrative Procedures Act of 1969, 1969 PA 306, as amended; MCL 24.201 *et seq*; the Michigan Insurance Code ("Code"), 1956 PA 218, as amended; MCL 500.100 *et seq*. (Code), and the rules promulgated under the Code, says that:

**I
BACKGROUND**

1. Hoppen's Inc. ("Hoppen's") is a Michigan for profit-corporation incorporated in Michigan. As of March 3, 2005, Hoppen's assumed the business name of Henrikson Hoppens Agency ("HHA"). Hoppens' and HHA principle place of business is located at 103 N. Center Street, Northville, MI 48167. According to its annual filings with the State of Michigan, its President and Treasurer is Steven Hoppens and its Vice President and Secretary is Germaine Hoppens. Ms. Hoppens is also the resident agent and may be served at 20657 Lexington Ct. Northville, MI 48167.

2. Hoppen's Inc. was a licensed resident agency producer with qualifications to transact insurance business in the lines of accident, health, casualty, life and property. On or about May 11, 2005, its license was revoked.
3. Germaine Hoppens is a Michigan resident whose principle place of business is located at 103 N. Center St., Northville, MI 48167. She was a licensed resident producer until February 24, 2005. Her license is currently revoked.
4. Steven Hoppens is a Michigan resident who has shared an agency association with Hoppens, Inc. since March 3, 2005. He is currently licensed as a resident producer with qualifications to transact business in the insurance lines of accident, health, casualty, life, multiple lines of property and casualty, property and variable annuities.
5. On or about December 16, 2008, OFIR received a complaint from Bernard H. stating that on January 23, 2008, he conducted business with Steve Henrikson of Henrikson Hoppens Agency to obtain professional liability insurance. He paid to Henrikson Hoppens \$4,194.03, the premium payment due for the coverage. Mr. H received information stating that professional liability insurance was being provided by Lloyd's of London, but he received no policy from Henrikson Hoppens. OFIR staff contacted Lloyd's and it was revealed no professional liability policy was ever placed with them.
6. On December 23, 2008, OFIR staff sent a letter of inquiry to Henrikson Agency, Inc. at its last known address to respond to the allegations of Mr. H's complaint. The letter of inquiry informed Henrikson Agency, Inc that a proper response was due within 21 days. No reply was received.
7. On February 4, 2009, OFIR staff sent another letter of inquiry to Henrikson Agency, Inc. that informed it of its duty to comply with Michigan Insurance Code Section 249, M.C.L. 500.249 on or before February 11, 2009. No reply was received.
8. On February 27, 2009, OFIR staff found Henrikson Agency, Inc in violation of Section 249(a) for its failure to respond and assessed a \$500.00 penalty against it.
9. On or about June 5, 2009, the Chief Deputy Commissioner for OFIR issued a Notice of Opportunity to Show Compliance that was served upon Henrikson Agency, Inc at its last known address. No response was received.
10. A further investigation of the Respondents' business activities revealed the following:
 - a. OFIR staff could not locate any certificate of assumed business names for Hoppen's Inc., however, Hoppen's Inc. is doing business as Henrik Hoppens Agency. Thus, Hoppen's Inc. is engaging in unlicensed activity under the Insurance Code.
 - b. A further search revealed that Henrikson Agency, Inc. was an insurance agency that was dissolved in July 2004. Henrikson Agency, Inc.'s insurance license was

in active/good standing at the time the business was dissolved. OFIR has no information associating Hoppen's Inc., Steven Hoppens or Germaine Hoppens with Henrikson Agency, Inc.

- c. OFIR staff could not locate any licenses issued to Henrik Hoppens Agency. A search online and a consumer complaint filed demonstrate that this agency is negotiating and selling insurance in the State of Michigan without a license. Thus, Henrikson Hoppens Agency is in violation of the Insurance Code.

II CONCLUSIONS OF LAW

WHEREAS, Section 251 of the Code, MCL 500.251, states that in the reasonable exercise of discretion, the Commissioner may issue a cease and desist order 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; and

WHEREAS, the Commissioner finds that a person must be licensed under Section 1201a of the Code, MCL 500.1201a, in order to act as an insurance producer; and

WHEREAS, the Commissioner finds that a person must be licensed under Section 402 of the Code, MCL 500.402, in order to conduct transactions of insurance; and

WHEREAS, the records of OFIR disclose that Respondent is not licensed under Section 402 of the Code to conduct transactions of insurance in the State of Michigan; and

WHEREAS, the records of OFIR disclose that Respondent is not licensed under Section 1201a of the Code in order to act as an insurance producer in the State of Michigan; and

WHEREAS, the Commissioner finds that Respondent is violating Section 4503 of the Code, MCL 500.4503, by committing fraudulent insurance acts; and

WHEREAS, based on the foregoing, the Commissioner finds that Respondent is engaged in acts and practices that violate the Code; and

WHEREAS, the Commissioner finds this action necessary and appropriate in the public interest for the protection of the public and consistent with the purposes fairly intended by the policy and provisions of the Code.

IT IS FURTHER ORDERED, pursuant to Section 251 of the Code, that Respondent shall immediately **CEASE AND DESIST** from violating Sections 402 and 1201a of the Code by conducting transactions of insurance in the State of Michigan.

IT IS FURTHER ORDERED, pursuant to Section 251 of the Code, that Respondent shall immediately **CEASE AND DESIST** from violating Section 4503 of the Code by committing fraudulent insurance acts.

A person who violates or otherwise fails to comply with a cease and desist order is subject to a civil fine of not more than \$1,000.00 for each violation not to exceed an aggregate civil fine of \$30,000.00. However, if the person knew or reasonably should have known the person was in violation of the order, payment of a civil fine of not more than \$25,000.00 for each violation not to exceed an aggregate civil fine of \$250,000.00. The Commissioner may also recover reasonable attorney fees if judicial action is necessary for enforcement of a cease and desist order under this section.

A person who is the subject of a cease and desist order may contest the order by requesting a hearing before the Commissioner not later than 30 days after the order is delivered or mailed to the person. Within 10 days after receiving the request, the Commissioner shall commence a hearing in accordance with the administrative procedures act of 1969, Act No. 306 of the Public Acts of 1969. Pending the hearing, the cease and desist order continues in full force and effect unless the order is stayed by the Commissioner. Any request for a hearing should be addressed to: the Office of Financial and Insurance Regulation, attention: Hearing Coordinator Dawn Kobus, P.O. Box 30220, Lansing, Michigan 48909.

MICHIGAN OFFICE OF FINANCIAL AND
INSURANCE REGULATION

By: Stephen R. Hilker
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Chief Deputy Commissioner
Office of Financial and Insurance Regulation