

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

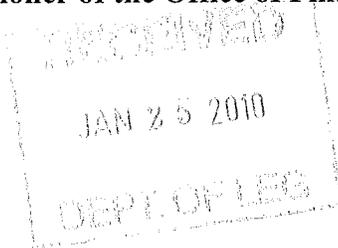
Before the Commissioner of the Office of Financial and Insurance Regulation

In the matter of:

Betty Jean Trombly
System ID No. 0387946

Lee Insurance Agency, Inc.
System ID No. 0008051

Enforcement Case No. 09-7450



Respondents

Issued and entered
on 1/26/10 2010
by Stephen R. Hilker
Chief Deputy Commissioner

CONSENT ORDER AND STIPULATION

A. FINDING OF FACTS AND CONCLUSIONS OF LAW

1. At all pertinent times involved herein, Betty Jean Trombly ("Trombly") was an insurance producer licensed to transact the business of insurance in the State of Michigan.
2. At all pertinent times involved herein, Lee Insurance Agency, Inc. was an insurance producer licensed to transact the business of insurance in the State of Michigan. Betty Jean Trombly and Lee Insurance Agency, Inc. are referred to collectively as Respondents.
3. At all pertinent times involved herein, Betty Jean Trombly was the President, Secretary, Treasurer, and Director of Lee Insurance Agency, Inc. and transacted the business of insurance business through Lee Insurance Agency, Inc.
4. As a licensed insurance producer, Respondents knew or had reason to know that Section 1207(1) of the Michigan Insurance Code, ("Code") states that an agent shall be a fiduciary for all money received or held by the agent in his or her capacity as an agent. Failure by an agent in a timely manner to turn over the money which he or she holds in a fiduciary capacity to the persons to whom they are owed is prima facie evidence of violation of the agent's fiduciary responsibility.

5. As a licensed insurance producer, Respondents further knew or had reason to know that Section 1207(2) of the Code, states that an agent shall use reasonable accounting methods to record funds received in his or her fiduciary capacity including the receipt and distribution of all premiums due each of his or her insurers. An agent shall record return premiums received by or credited to him or her which are due an insured on policies reduced or canceled or which are due a prospective purchaser of insurance as a result of a rejected or declined application.
6. As a licensed insurance producer, Respondents further knew or had reason to know that Section 1239(1)(d) of the Code allows the Commissioner to place on probation, suspend, or revoke an insurance producer's license or may levy a civil fine under section 1244 for improperly withholding, misappropriating, or converting any money or property received in the course of doing insurance business.
7. As a licensed insurance producer, Respondents further knew or had reason to know that Section 1239(1)(h) of the Code allows the Commissioner to place on probation, suspend, or revoke an insurance producer's license or levy a civil fine under Section 1244 for using fraudulent, coercive, or dishonest practices or demonstrating incompetence, untrustworthiness, or financial irresponsibility in the conduct of business in this state or elsewhere.
8. Between October 2008 and January 2009, the Respondents failed to remit premium to the [REDACTED] by writing non-sufficient fund checks on October 16, 2008 in the amount of \$249.00, \$430.00, \$527.00 and \$192.90, in the total amount of \$1,398.90, not including appropriate fees.
9. On January 30, 2009, Respondent Trombly admitted to the Mt. Morris Police Department that she had placed customer insurance premium money into her business account to pay bills.
10. Respondent Trombly further admitted to the Mt. Morris Police Department that she did not remit the customer's premium money to the insurers.
11. That by these actions, Respondents have violated Sections 1207(1) & (2) and Section 1239(1)(d) & (h) of the Code.

B. ORDER

Based upon the findings of fact and conclusions of law above, and Respondents stipulation to said facts, it is hereby ORDERED that:

1. Respondents shall immediately cease and desist from operating in a manner that violates Section 1207 and 12339 of the Code, MCL 500.1207 and 500.1239.

2. Respondent Betty Jean Trombly's insurance producer license and authority are hereby REVOKED.
3. Respondent Lee Insurance Agency, Inc.'s insurance producer and authority are hereby REVOKED.

OFFICE OF FINANCIAL AND
INSURANCE REGULATION

By: 
Stephen R. Hilker
Chief Deputy Commissioner

C. 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 Insurance Code. I waive the right to a hearing in this matter if this consent order is issued. I understand that this stipulation and consent order 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. I admit the facts set forth in the above consent order and agree to the entry of this order.



Betty Jean Trombly
System ID No. 0387946

Dated: 1-21-10



Lee Insurance Agency, Inc.
Betty Jean Trombly, President
System ID No. 0008051

Dated: 1-21-10

The OFIR staff approves this stipulation and recommends that the Commissioner issue the above Consent Order.



William R. Peattie

Dated: 1/24/10