

STATE OF MICHIGAN
DEPARTMENT OF LABOR & ECONOMIC GROWTH
OFFICE OF FINANCIAL AND INSURANCE SERVICES

Before the Commissioner of the Office of Financial and Insurance Services

In the matter of:

Lisa A. Dykstra
License No.

Enforcement Case No. 04-2559

Respondent
_____ /

*Issued and entered
On March 21, 2005
by Linda A. Watters
Commissioner*

CONSENT ORDER AND STIPULATION

A. Findings of fact and conclusions of law

1. At all pertinent times, Lisa A. Dykstra (Respondent) was a licensed resident agent, authorized to sell property/casualty insurance since July 17, 1998.
2. As a producer, Respondent knew or had reason to know that Section 1207(1) of the Michigan Insurance Code (Code) requires producers to be a fiduciary for all monies received in their capacity as an agent.
3. Respondent further knew or had reason to know that 1239(1)(h) of the Code provides that the Commissioner may revoke a producer's license for the producer's use of fraudulent or dishonest practices in the conduct of business.
4. Based on the fraudulent and dishonest practices described below, Respondent's license is subject to revocation pursuant to Section 1239(1)(h) of the Code.

COUNT I

5. Respondent had check issuing authority for Citizens Insurance Company for losses up to \$5,000. From June of 2002 until October of 2003, Respondent issued a series of fraudulent claim checks on fictitious property claims, forged endorsements on the checks,

negotiated the checks, and used the proceeds for her own purposes. The fraudulent claim payments totaled \$34,053.23. The specifics of some of the fraudulent claims are set forth in Count I below:

<u>Check #</u>	<u>Date of Check</u>	<u>Amount</u>	<u>Insured</u>
90137033	7/8/02	\$3,698.00	XXXX
90204724	10/29/02	\$4,200.00	XXXX
90204738	11/13/02	\$2,871.00	XXXX
90204770	1/6/03	\$2,768.00	XXXX
90204837	4/9/03	\$4,848.62	XXXX
90204862	5/7/03	\$2,250.00	XXXX
90247890	7/8/03	\$4,468.42	XXXX
90247968	10/17/03	\$3,390.00	XXXX
90247975	10/21/03	\$5,559.19	XXXX

COUNT II

6. Respondent received premium refund payments for home owners insurance from the insurer, and failed to remit the payments to the respective insured as set forth below:

On September 30, 2003, the Respondent received a \$239.00 check from Citizens Insurance Company, Check #90691905 for XXXX. Respondent failed to remit the premium refund to Mr. XXXX to whom it was owed.

On September 30, 2003, the Respondent received a \$322.00 check from Citizens Insurance Company, Check #90691906 for XXXX. Respondent failed to remit the premium refund to XXXX whom it was owed.

On March 25, 2003, the Respondent received a \$48.00 check from Citizens Insurance Company, Check #90569770 for XXXX. On September 11, 2003 the Respondent received a \$61.00 check from Citizens Insurance Company, Check #90678923 for XXXX. Respondent failed to remit the premium refunds to Mr. XXXX to whom it was owed.

On August 24, 2000, the Respondent received a \$33.00 check from Citizens Insurance Company, Check #90579978 for XXXX. Respondent failed to remit the premium refund to Mr. XXXX to whom it was owed.

On August 28, 2002, the Respondent received a \$469.00 check from Citizens Insurance Company, Check #90430756 for XXXX. On October 9, 2002 the Respondent received a \$349.00 check from Citizens Insurance Company, Check #90463521 for XXXX. Respondent failed to remit the premium refunds to Mr. XXXX to whom it was owed.

On May 9, 2003, the Respondent received a \$337.46 check from Citizens Insurance Company, Check #90598472 for XXXX. Respondent failed to remit the premium refund to Mr. XXXX to whom it was owed.

On September 9, 1999, the Respondent received a \$20.84 check from Citizens Insurance Company, Check #90352895 for XXXX. Respondent failed to remit the premium refund to Mr. XXXX to whom it was owed.

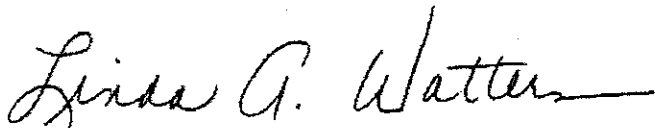
On September 23, 2003, the Respondent received a \$86.00 check from Citizens Insurance Company, Check #90686178 for XXXX. Respondent failed to remit the premium refund to XXXX to whom it was owed.

7. The agency where the Respondent was employed reissued the Citizens Insurance Companies premium refund checks to all insured's who were due refunds.
8. By the conduct described above, Respondent violated Section 1207(1) of the Code, subjecting her license to revocation pursuant to Section 1239(1)(h) of the Code.

B. ORDER

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

1. Respondent shall immediately cease and desist from operating in such a manner as to violate Sections 1207(1) and 1239(1)(h) of the Code.
2. Respondent shall make full and complete restitution in the amount of \$34,053.23 to Citizens Insurance Company.
3. Respondent shall pay a civil penalty to the State of Michigan in the amount of \$22,500.00. This fine shall be paid within one hundred and twenty (120) days from entry of this Order.
4. Respondent's license(s) and authority are hereby revoked.



Linda A. Watters
Commissioner