

STATE OF MICHIGAN
DEPARTMENT OF ENERGY, LABOR & ECONOMIC GROWTH
OFFICE OF FINANCIAL AND INSURANCE REGULATION
Before the Commissioner of Financial and Insurance Regulation

In the matter of:

**Office of Financial and Insurance Regulation,
Petitioner**

v

**Gerald Menefee,
Respondent**

Enforcement Case No. 10-7592

For the Petitioner:

**Marlon Roberts
Office of Financial and Insurance Regulation
P.O. Box 30220
Lansing, MI 48909-7720**

For the Respondent:

Gerald Menefee

**Issued and entered
this 22nd day of April 2011
by R. Kevin Clinton
Commissioner**

FINAL DECISION

I. Background

Respondent Gerald Menefee is a licensed resident insurance producer authorized to transact the business of insurance in Michigan. This matter concerns allegations that Respondent Menefee failed to respond to multiple inquiries made by the Office of Financial and Insurance Regulation (OFIR) as required by section 249(a) of the Michigan Insurance Code, MCL 500.249(a) and that Respondent also failed to maintain a current address with OFIR as required by section 1206(5) of the Insurance Code, MCL 500.1206(5).

On December 6, 2010, Chief Deputy Commissioner Stephen Hilker issued an Order Referring Complaint for Hearing and Order to Respond in this case. The Order set forth detailed allegations concerning the matter described above. The Order required Respondent to take one

of the following actions within 21 days: agree to a resolution of the case, file an answer to the allegations stated in the Order, file a statement that Respondent plans to attend the hearing or request an adjournment. Respondent failed to take any of these actions.

On January 10, 2011, Petitioner filed a Motion for Final Decision. Given Respondent's failure to take one of the required actions, Petitioner's motion is granted.

II. Findings of Fact and Conclusions of Law

1. At all times pertinent to this case, Respondent was a licensed resident Michigan insurance producer.
2. As a licensed insurance producer, Respondent knew or should have known that section 249(a) of the Michigan Insurance Code provides:

For the purposes of ascertaining compliance with the provisions of the insurance laws of the state or of ascertaining the business condition and practices of an insurer or proposed insurer, the commissioner, as often as he deems advisable, may initiate proceedings to examine the accounts, records, documents and transactions pertaining to:

(a) Any insurance agent, surplus line agent, general agent, adjuster, public adjuster or counselor.

3. As a licensed insurance producer, Respondent knew or should have known that section 1206(5) of the Michigan Insurance Code provides:

Licensees shall inform the commissioner by any means acceptable to the commissioner of a change of legal name or address within 30 days of the change.

4. Respondent failed to answer written inquiries from OFIR in August, October, and November 2009. By failing to respond to written inquiries from OFIR, Respondent violated section 249(a) of the Insurance Code.

5. Respondent has failed to accept mail from OFIR at his address of record. The mail, sent in February 2010, was returned by the U.S. Postal Service as undeliverable. Respondent, therefore, has failed to maintain a current address on file with OFIR. By failing to maintain a current address with OFIR, Respondent violated section 1206(5) of the Insurance Code.

III. Order

Based on the conduct described above, and in accordance with section 1239(1) of the Michigan Insurance Code, the insurance producer license of Respondent Gerald Menefee is revoked.



R. Kevin Clinton
Commissioner