

**STATE OF MICHIGAN
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
OFFICE OF FINANCIAL AND INSURANCE REGULATION**

Before the Commissioner of the Office of Financial and Insurance Regulation

In the Matter of:

In the Matter of:

Michael Talluto II
System ID No. 0352015

Enforcement Case No. 11-11377

Respondent

_____ /

**Issued and entered
on 12-6, 2011
by Annette E. Flood
Chief Deputy Commissioner**

CONSENT ORDER AND STIPULATION

I. FINDINGS OF FACT AND CONCLUSIONS OF LAW

1. At all relevant times, Michael Talluto II, (System ID No. 0352015) (Respondent) was a licensed resident insurance producer in the State of Michigan.
2. On April 19, 2006, Respondent was arraigned 39th District Court in the State of Michigan.
3. On May 3, 2006, Respondent pled no contest and was sentenced to two years probation with various costs and other conditions.
4. Respondent did not report the above arraignment or conviction to the Office of Financial and Insurance Regulation.
5. As a licensed resident producer, Respondent knew or had reason to know that Section 1247(2), MCL 500.1247(2), of the Michigan Insurance Code (Code), 1956 PA 218, as amended, MCL 500.100 *et seq.* provides:

(2) Within 30 days after the initial pretrial hearing date, an insurance producer shall report to the commissioner any criminal prosecution of the insurance producer taken in any jurisdiction. The report shall include a copy of the initial complaint filed, the order resulting from the hearing, and any other relevant legal documents.

6. As a licensed resident producer, Respondent knew or had reason to know that Section 1239(1)(b), MCL 500.1239(1)(b), provides:

In addition to any other powers under this act, the commissioner may place on probation, suspend, or revoke an insurance producer's license or may levy a civil fine under section 1244 or any combination of actions, and the commissioner shall refuse to issue a license under section 1205 or 1206a, for any 1 or more of the following causes:

(b) Violating any insurance laws or violating any regulation, subpoena, or order of the commissioner or of another state's insurance commissioner.

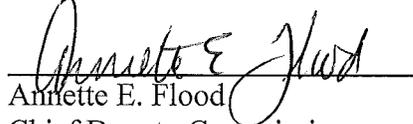
7. By not reporting his arraignment or convictions within 30 days from the initial pre-trial hearing Respondent violated Section 1247(2) of the Code, MCL 500.1247(2), raising cause under Section 1239(1)(b) of the Code, MCL 500.1239(1)(b) authorizing the Commissioner to take actions under Section 1244 of the Code, MCL 500.1244, to order the payment of a civil fine, and limit, suspend or revoke the Respondent's license as warranted.

II. ORDER

Based upon the parties stipulation to the Findings of Fact and Conclusions of Law above, it is **ORDERED** that:

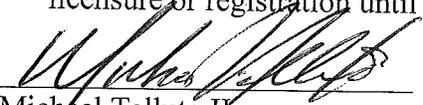
- A. Respondent shall cease and desist from operating in a manner that violates Sections 1239 and 1247(2) of the Code, MCL 500.1239, MCL 500.1247(2).
- B. Respondent shall pay to the State of Michigan, through OFIR, a civil fine of \$500 within 30 days of the invoice date as indicated on the OFIR invoice.

**OFFICE OF FINANCIAL AND
INSURANCE REGULATION**


Annette E. Flood
Chief Deputy Commissioner

III. STIPULATION

1. Respondent has had an opportunity to review the stipulation and consent order and has had the opportunity to obtain review by legal counsel.
2. Respondent agrees that all parties have complied with the procedural requirements of the Michigan Administrative Procedures Act and the Michigan Insurance Code; that the Chief Deputy Commissioner has jurisdiction and authority to issue this consent order pursuant to the Michigan Insurance Code; and the Chief Deputy Commissioner, or designee, must approve this stipulation before it is submitted for final approval. If the Chief Deputy Commissioner, or that person's designee, rejects this stipulation, OFIR will schedule a contested case hearing in this matter without prejudice to either party.
3. Respondent understands and intends that by signing this stipulation, Respondent is waiving the right, pursuant to the Code, the rules promulgated thereto, and the Administrative Procedures Act, 1969 PA 306, MCL 24.201 et seq., to a hearing before an administrative law judge, at which OFIR would be required to prove the charges set forth by presentation of evidence and legal authority and at which Respondent would be entitled to appear to cross-examine all witnesses presented and to present such testimony or other evidence or legal authority deemed appropriate as a defense to said charges.
4. Respondent admits the findings of fact and conclusions of law as set forth above and agrees to the entry of this order.
5. Respondent agrees that failure to comply with the terms set forth in this stipulation within sixty (60) days of the date of this order shall result in a suspension or continued suspension of all licenses or registrations held by Respondent, under the Code, or in the denial of any license or registration renewal and the denial of future applications for licensure or registration until compliance is made with the terms of this stipulation. Unless otherwise specified in this stipulation, requirements imposed on the Respondent must be fulfilled within sixty (60) days of the date of mailing of this order.
6. Respondent further agrees that failure to comply with the terms set forth in this stipulation within six (6) months of the date of mailing of this order shall result in a revocation or continued revocation of all licenses or registrations held by Respondent, under the Code, or in the denial of any license or registration renewal and the denial of future applications for licensure or registration until compliance is made with the terms of this stipulation.

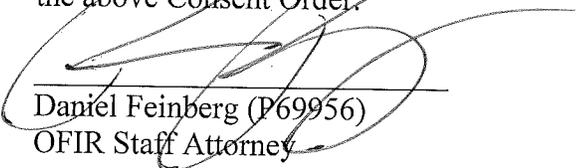


Michael Talluto II
System ID No. 0352015

Nov. 14, 2011

Date

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



Daniel Feinberg (P69956)
OFIR Staff Attorney

11/29/11

Date