

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

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Before the Commissioner of the Office of Financial and Insurance Regulation

In the matter of:

Christina N. Nabongo
System ID No. 0371273

Enforcement Case No. 12-11575

Respondent.

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Issued and Entered
on November 14, 2012
by Annette E. Flood
Chief Deputy Commissioner

CONSENT ORDER AND STIPULATION

A. FINDING OF FACT AND CONCLUSIONS OF LAW

1. At all relevant times, Respondent Nabongo was a licensed resident insurance producer with qualifications in property and casualty.
2. On or about February 15, 2012, OFIR received a letter from Nationwide Mutual Insurance Company (Nationwide) stating that they cancelled Respondent Nabongo's appointment with Nationwide and seven other subsidiary and affiliate companies.
3. Nationwide alleged that Respondent Nabongo improperly withheld, misappropriated, or converted policyholder premium money received in the course of doing insurance business.
4. As a licensee, Respondent Nabongo knew or had reason to know that Section 1207(1) of the Michigan Insurance Code (Code), 1956 PA 218, as amended, MCL 500.1207(1), provides 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. Respondent Nabongo failed to act as a fiduciary for policyholder premium money she received or held in her capacity as an agent for Nationwide and failed to timely remit \$1,035.00 to Nationwide, to whom it was owed.
6. As a licensee, Respondent Nabongo further knew or had reason to know that Section 1239(1)(d) of the Code, MCL 500.1239(1)(d), allows the Commissioner to place on probation, suspend, revoke, or levy a civil fine under Section 1244 or any combination

thereof, for "Improperly withholding, misappropriating, or converting any money or property received in the course of doing insurance business."

7. Respondent Nabongo improperly withheld, misappropriated, or converted \$1,035.00 received in the course of doing insurance business.
8. As a licensee, Respondent Nabongo knew or had reason to know that Section 1239(1)(h) of the Code, MCL 500.1239(1)(h), allows the Commissioner to place on probation, suspend, revoke, or levy a civil fine under Section 1244 or any combination thereof, for "Using fraudulent, coercive, or dishonest practices or demonstrating incompetence, untrustworthiness, or financial irresponsibility in the conduct of business in this state or elsewhere."
9. Respondent Nabongo used dishonest practices or demonstrated incompetence, untrustworthiness, or financial irresponsibility in the conduct of business in this state by failing to remit \$1,035.00 to Nationwide.
10. Based upon the actions listed above, Respondent Nabongo has committed acts that provide justification for the Commissioner to order the payment of a civil fine, refund of any overcharges, that restitution made to cover losses, damages or other harm attributed to Respondent's violations of the Code, and/or licensing sanctions, including revocation of licensure.

B. ORDER

Based upon the findings of fact and conclusions of law above, and Respondent's Stipulation to said facts, it is hereby ORDERED that:

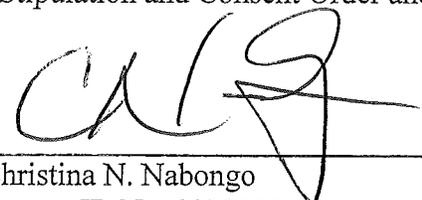
1. Respondent shall immediately cease and desist from operating in a manner that violates Section 1207(1) and 1239(1) of the Code, MCL 500.1207(1) and 1239(1).
2. Respondent shall provide her current employer with a copy of this executed Order.
3. Respondent shall provide the Market Conduct Division of OFIR any written or oral complaints regarding Respondent within 30 days of said complaint and any steps taken to resolve the matter.
4. In addition to all other continuing education course requirements, Respondent shall take and complete an additional six (6) credits of continuing education classes in ethics by October 2015.
5. On or before October 2015, Respondent is prohibited from obtaining new employment as an insurance producer with another insurance agency or company, unless the Market Conduct Division of OFIR provides Respondent with prior written consent.
6. On or before October 2015, Respondent is prohibited from applying for or obtaining any new appointments or qualifications unless the Market Conduct Division of OFIR provides Respondent with prior written consent.

7. Respondent shall pay to the state of Michigan, a civil fine of One Thousand Dollars (\$1,000.00). The \$1000.00 fine is payable in five (5) monthly payments of \$200.00. Upon acceptance of this Order, OFIR will send five (5) Invoices to Respondent, and Respondent shall pay the fine by the due dates printed on the Invoices.
8. If Respondent fails to comply with any of the above provisions, OFIR shall immediately commence proceedings to revoke the insurance producer license held by Respondent.

By: 
Annette E. Flood
Chief Deputy Commissioner

C. STIPULATION

I have read and understand the Consent Order above. I agree that the Chief Deputy Commissioner has jurisdiction and authority to issue this Consent Order pursuant to the Insurance Code. I waive any 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 Chief Deputy Commissioner for approval and the Chief Deputy 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 findings of fact and conclusions of law set forth in the above Consent Order, but I agree to the entry of this Order. I admit that both parties have complied with the procedural requirements of the Code and the APA. I have had an opportunity to review the Stipulation and Consent Order and have the same reviewed by legal counsel.


Christina N. Nabongo
System ID No. 0371273

Dated: 10/20/12

OFIR Staff approve this Stipulation and recommend that the Commissioner issue the above Consent Order.


William R. Peattie

Dated: 11/13/12