

**STATE OF MICHIGAN  
DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES**

**Before the Director of the Department of Insurance and Financial Services**

In the matter of:

**Department of Insurance and Financial Services**

**Enforcement Case No. 19-15743  
Agency No. 20-003-L**

Petitioner,

**v**

**Matthew John Gerrans**  
System ID No. 0752141

Respondent.

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**Issued and entered  
on March 30, 2020  
by Randall S. Gregg  
Senior Deputy Director**

**FINAL DECISION**

**I. Background**

Matthew John Gerrans (Respondent) is a licensed insurance producer. The Department of Insurance and Financial Services (DIFS) received information that Respondent failed to report a criminal prosecution stemming from a 2016 motor vehicle incident. Respondent also failed to report his initial charges and final disposition of charges to the state of Pennsylvania. After investigation and verification of the information, on December 19, 2019, DIFS issued a Notice of Opportunity to Show Compliance (NOSC) alleging that Respondent had provided justification for revocation of licensure and other sanctions pursuant to Sections 1239(1) and 1244(1)(a-d) of the Michigan Insurance Code (Code), MCL 500.1239(1) and 500.1244(1)(a-d). Respondent failed to reply to the NOSC.

On February 14, 2020, DIFS issued an Administrative Complaint and Order for Hearing which was served upon Respondent at the address he is required to maintain with DIFS. The Order for Hearing required Respondent to take one of the following actions within 21 days: (1) agree to a resolution of the case, (2) file a response to the allegations with a statement that Respondent planned to attend the hearing, or (3) request an adjournment. Respondent failed to respond or take any action.

On March 27, 2020, DIFS Staff filed a Motion for Final Decision. Respondent did not file a reply to the motion. Given Respondent's failure to respond, Petitioner's motion is granted. The Administrative Complaint, being unchallenged, is accepted as true. Based upon the Administrative Complaint, the Director makes the following Findings of Fact and Conclusions of Law.

## II. Findings of Fact and Conclusions of Law

1. Matthew John Gerrans (Respondent) has been an active nonresident producer with qualifications in accident and health, and life since January 8, 2016, and his license is currently active.
1. On November 16, 2018, DIFS staff received a notification from the National Association of Insurance Commissioner's Regulatory Information Retrieval System (RIRS) regarding a recent administrative action in Respondent's home state.
2. According to the RIRS notification, Pennsylvania entered into a consent order with Respondent on November 13, 2018, sanctioning him for failing to report a criminal prosecution stemming from a 2016 motor vehicle incident. On September 5, 2017, Respondent pleaded guilty, in the Erie County Court of Common Pleas, to two felony counts of accidents involving death or personal injury and one summary motor vehicle code violation. Respondent failed to report his initial charges and final disposition of charges to Pennsylvania. As a result, Respondent was ordered to pay a civil penalty of \$5,000.00.
3. On January 4, 2019, DIFS staff sent a letter of inquiry to Respondent regarding the administrative action taken against his license in Pennsylvania. To date, no response has been received and the letter was not returned by the United States Postal Service.
4. As a licensee, Respondent knew or had reason to know that Section 249(a) of the Code, MCL 500.249(a), states:

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.
5. As a licensee, Respondent knew or had reason to know that Section 1247(1) of the Code, MCL 500.1247(1), states:

(1) An insurance producer shall report to the commissioner any administrative action taken against the insurance producer in another jurisdiction or by another governmental agency in this state within 30 days after the final disposition of the matter. This report shall include a copy of the order, consent to order, or other relevant legal documents.
6. Respondent violated Section 1247(1) of the Code, by failing to report the administrative action taken by the state of Pennsylvania to DIFS within 30 days after the final disposition of the matter.
7. As a licensee, Respondent knew or had reason to know that Section 1247(2) of the Code, MCL 500.1247(2), states:

(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.

8. Respondent violated Section 1247(2) of the Code, by failing to report to DIFS his felony prosecutions within 30 days after the initial pretrial hearing date.
9. As a licensee, Respondent knew or had reason to know that Sections 1239(1)(b) and (f) of the Code, MCL 500.1239(1)(b) and (f), state:

(1) 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:

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

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(f) Having been convicted of a felony.

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10. As a licensee, Respondent knew or had reason to know that Section 1244(1)(a-c), of the Code, MCL 500.1244(1)(a-c), provides that the Director may order the payment of a civil fine of up to \$1,000.00 for each violation and up to \$5,000.00 for each violation if the Director finds that the person knew or reasonably should have known that he or she was in violation of the Code. The Director may also require the person to refund any overcharges and pay restitution to cover losses, damages, or other harm they caused by violating the Code. Pursuant to Section 1244(1)(d), of the Code, MCL 500.1244(1)(d), the Director may order suspension or revocation of licensure.
11. Respondent has provided justification for sanctions, pursuant to Sections 1239(1)(b) and 1244(1) of the Code, by failing to respond to multiple letters of inquiry from DIFS staff as required pursuant to Section 249(a), MCL 500.249(a), and by failing to report his administrative action and felony prosecutions as required by the Code pursuant to Sections 1247(1) and (2) of the Code, MCL 500.1247(1) and (2).
12. Respondent has provided justification for sanctions, pursuant to Sections 1239(1)(f) and 1244(1) of the Code, by being convicted of the aforementioned felonies.

13. Based upon the actions listed above, Respondent has committed acts that provide justification for the Director to order the payment of a civil fine, and/or other licensing sanctions, including revocation of licensure.
14. On February 14, 2020, DIFS issued an Administrative Complaint and Order for Hearing which was served upon Respondent at the address he is required to maintain with DIFS. The Order for Hearing required Respondent to take one of the following actions within 21 days: (1) agree to a resolution of the case, (2) file a response to the allegations with a statement that Respondent planned to attend the hearing, or (3) request an adjournment. Respondent failed to respond or take any action.
15. On March 27, 2020, DIFS staff filed a Motion for Final Decision. Respondent did not file a reply to the motion.
16. DIFS staff have made reasonable efforts to serve Respondent and have complied with MCL 500.1238(2).
17. Respondent has received notice and has been given an opportunity to respond and appear and has not responded nor appeared.
18. Respondent is in default and the Petitioner is entitled to have all allegations accepted as true.

### III. Order

Based upon the Respondent's conduct and the applicable law cited above, it is ordered that:

1. Respondent shall **CEASE** and **DESIST** from violating the Code.
2. Respondent shall immediately **CEASE** and **DESIST** from engaging in the business of insurance.
3. Pursuant to MCL 500.249, MCL 500.1239(1)(b) and (f), MCL 500.1244(1)(d), and MCL 500.1247(1) and (2), Respondent's nonresident insurance producer license (System ID No. 0752141) is **REVOKED**.

Anita G. Fox, Director  
For the Director:



Randall S. Gregg  
Senior Deputy Director