

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. 19-15617
Agency No. 19-407-L**

Petitioner,

v

Robert Dequan Blue
System ID No. 0694781

Respondent.

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Issued and entered
on October 24, 2019
by Randall S. Gregg
Senior Deputy Director

FINAL DECISION FOLLOWING ORDER

I. Background

Robert Dequan Blue (Respondent) is a licensed resident insurance producer. The Department of Insurance and Financial Services (DIFS) received information that Respondent failed to respond to a letter of inquiry from DIFS regarding a February 23, 2019, complaint filed against him. The complaint alleged that Respondent failed to timely cancel Complainant's insurance policy, as requested, causing Complainant to be assessed \$64.00 in overdraft fees by her bank. After investigation and verification of the information, on April 22, 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 July 19, 2019, 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 August 19, 2019, 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 was granted.

On September 6, 2019, the Director of DIFS issued an order suspending Respondent's resident insurance producer license, requiring him to pay \$500.00 in fines, and respond to the DIFS' inquiry on or before the due date indicated on the DIFS invoice (October 7, 2019).

On October 10, 2019, DIFS Staff filed a Motion for Final Decision Following Order. 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. Respondent is a licensed resident insurance producer in the state of Michigan with qualifications in accident and health, and life, and his license is currently active.
2. On March 1, 2019, DIFS Staff sent a letter of inquiry to Respondent at his mailing address of record, which he is required per the Code to keep current with DIFS. The letter requested a written response to a February 23, 2019, complaint filed against Respondent and Americo Financial Life and Annuity Insurance Company (Americo).
3. The complaint alleged that Respondent and Americo failed to timely cancel Complainant's insurance policy, as requested, causing Complainant to be assessed \$64.00 in overdraft fees by her bank. Americo promptly responded in writing to the inquiry and subsequently refunded all the premium payments the Complainant had paid.
4. On March 22, 2019, Respondent contacted DIFS Staff and requested a two-week extension to respond in writing to the inquiry. DIFS Staff granted his request. Respondent failed to respond by the end of the two-week extension.
5. On April 22, 2019, an NOSC was sent to Respondent at his email address of record. No response was received.
6. On May 23, 2019, the NOSC was mailed to Respondent at his mailing address of record. No response was received, and the mail was not returned by the United States Postal Service (USPS).
7. 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.

8. As a licensee, Respondent knew or had reason to know that Section 1239(1)(b) of the Code, MCL 500.1239(1)(b), states:

(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:

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

9. 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.
10. 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).
11. On July 19, 2019, true copies of an Administrative Complaint, Order for Hearing and Notice of Hearing were mailed by first class mail to Respondent at his mailing address of record. No response was received, and the mail was not returned by the USPS.
12. The documents were also mailed to Respondent's business address of record. The mail was returned to DIFS by the USPS, marked, "RETURN TO SENDER, NOT DELIVERABLE AS ADDRESSED, UNABLE TO FORWARD."
13. On August 19, 2019, DIFS Staff filed a Motion for Final Decision. Respondent did not file a reply to the motion, and the mail was not returned by the USPS. Given Respondent's failure to respond, Petitioner's motion was granted.
14. On September 6, 2019, an order suspending Respondent's resident insurance producer license, requiring him to pay \$500.00 in fines, and respond to the DIFS' inquiry was mailed by first class mail to Respondent at his mailing address of record. No response was received, and the mail was not returned by the USPS.
15. The order advised Respondent that the Director would enter a Final Decision revoking his insurance producer license if the \$500.00 fine was not paid by the due date.
16. Respondent failed to pay the \$500.00 fine and respond to the inquiry by the due date.

17. Respondent has provided justification for sanctions, pursuant to Sections 1239(1)(b) and 1244(1) of the Code, MCL 500.1239(1)(b) and MCL 500.1244(1), by failing to follow the Director's order issued on September 6, 2019, pursuant to Section 249(a), MCL 500.249(a).
18. Based upon the actions listed above, Respondent has committed acts that provide justification for the Director to order revocation of licensure.
19. On October 10, 2019, DIFS Staff filed a Motion for Final Decision Following Order. Respondent did not file a reply to the motion, and the mail was not returned by USPS.
20. DIFS Staff has made reasonable efforts to serve Respondent and has complied with MCL 500.1238(2).
21. Respondent has received notice and has been given an opportunity to respond and appear and has not responded nor appeared.
22. 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 MCL 500.1244(1)(d), Respondent's resident insurance producer license (System ID No. 0694781) is **REVOKED**.

Anita G. Fox, Director
For the Director:



Randall S. Gregg, Senior Deputy Director