

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. 16-14334

Petitioner,

v

Jeffray L Campeau
System ID No. 0217903

Respondent.

_____ /

Issued and entered
on January 17, 2020
by **Randall S. Gregg**
Senior Deputy Director

ORDER

I. Background

Jeffray L Campeau (Respondent) is a licensed resident insurance producer. The Department of Insurance and Financial Services (DIFS) received information that Respondent failed to remit in a timely manner the insurance premiums held by Respondent in his fiduciary capacity. After investigation and verification of the information, on January 19, 2018, DIFS mailed a Notice of Opportunity to Show Compliance (NOSC) alleging that Respondent had provided justification for 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 replied to the NOSC and an informal compliance conference was held on March 19, 2018. Following the informal compliance conference, DIFS and Respondent entered into a Settlement Agreement that was signed by Respondent on August 31, 2018, and by the Chief Deputy Director on September 6, 2018.

Pursuant to the Settlement Agreement, Respondent agreed to pay a market conduct fee of \$2,000 in eight equal quarterly installment payments of \$250.00. Respondent has only made one installment payment. The dates for Respondent's past due payments are: March 6, 2019; June 6, 2019; and September 6, 2019.

On **December 5, 2019**, DIFS Staff filed a Motion for Default Due to Breach of Settlement Agreement and Director's Order to Suspend License and Pay Enhanced Market Conduct Fee.

Respondent did not file a reply to the motion. Given Respondent's failure to respond, Petitioner's motion is granted. Based upon the Motion and the terms of the Settlement Agreement, the Director makes the following Findings of Fact and Conclusions of Law.

II. Findings of Fact and Conclusions of Law

1. In the Settlement Agreement, Respondent admitted to violating Sections 2018, 4503, 1239(1)(b), and 1239(1)(h) of the Code, MCL 500.2018, 500.4503, 500.1239(1)(b), and (1)(h).
2. Pursuant to paragraph 21 of the Settlement Agreement, Respondent agreed to pay a market conduct fee of \$2,000 in eight equal quarterly installment payments of \$250.00.
3. Respondent has only made one installment payment.
4. The due dates for Respondent's past due payments are: March 6, 2019; June 6, 2019; and September 6, 2019.
5. Pursuant to paragraph 23 of the Settlement Agreement, Respondent agreed that failure to pay the market conduct fee as set forth in the installment payment schedule within 30 days of the date of each quarterly invoice shall result in a suspension of all licenses or registrations held by Respondent.
6. Pursuant to paragraph 24 of the Settlement Agreement, Respondent agreed that failure to pay the market conduct fee as set forth in the installment payment schedule within six months of an invoice date would result in the fee increasing to \$2,500 and revocation of all licenses held by Respondent.
7. DIFS has sent Final Notices to Respondent via mail to the address maintained on file and via email.
8. Respondent is more than 30 days overdue on payments due on March 6, 2019; June 6, 2019; and September 6, 2019, pursuant to the invoices DIFS submitted to Respondent in accordance with the Settlement Agreement.
9. Respondent is more than 6 months overdue on payments due on March 6, 2019 and June 6, 2019, pursuant to the invoices DIFS submitted to Respondent in accordance with the Settlement Agreement.
10. Respondent is in breach of material terms of his Settlement Agreement and has provided justification for an enhanced market conduct fee pursuant to paragraphs 23 and 24 of the Settlement Agreement.
11. Respondent has received notice and has been given an opportunity to respond and appear and has not responded nor appeared.

III. Order

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

1. Petitioner's Motion for Default is **granted**.
2. The monetary penalty of a \$2,000.00 market conduct fee referenced in paragraph 21 of his Settlement Agreement is immediately enhanced for violation of a material term of the Settlement Agreement. Respondent is now **ORDERED** to pay a **market conduct fee** of \$2,500.00. Respondent shall be given credit for a single payment of \$250.00. Payment shall be due by the date identified on DIFS' invoice that will be sent to Respondent upon entry of this Order.
3. Respondent's insurance producer license (System ID No. 0217903) is **SUSPENDED** until Respondent pays the enhanced market conduct fee identified in paragraph 2 of this Order.
4. Failure to pay the enhanced market conduct fee by the due date specified in the invoice shall constitute a violation of a Director's Order in violation of Section 1239(1)(b) of the Code, MCL 500.1239(1)(b), and will result in further administrative actions resulting in all sanctions permitted under law, including, but not limited to, revocation of the Respondent's insurance producer license.

Anita G. Fox, Director
For the Director:



Randall S. Gregg, Senior Deputy Director