

**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 Nos. 20-16309  
20-16310**

**Agency Nos. 20-061-L  
20-062-L**

Petitioner,

**v**

**Cornerstone Title Services, LLC**

System ID No. 0073869

**Clifford Branham**

System ID No. 0378835

Respondents.

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**Issued and entered  
on July 13, 2021  
by Randall S. Gregg  
Senior Deputy Director**

**FINAL DECISION**

**I. Background**

Cornerstone Title Services, LLC (Respondent Cornerstone) is a licensed insurance agency. Clifford Branham (Respondent Branham) is a licensed insurance producer. Respondent Cornerstone and Respondent Branham are collectively herein referred to as "Respondents." The Department of Insurance and Financial Services (DIFS) received information that Respondents failed to respond to a letter of inquiry from DIFS regarding a November 2, 2020, consumer complaint filed against Respondents. After an investigation and verification of the information, on November 30, 2020, DIFS issued a Notice of Opportunity to Show Compliance (NOSC) alleging that Respondents had provided justification for revocation of licensure and other sanctions pursuant to Sections 1239(2) and 1244(1)(a-d) of the Michigan Insurance Code (Code), MCL 500.1239(2) and 500.1244(1)(a-d). Respondents failed to reply to the NOSC.

On February 10, 2021, DIFS issued an Administrative Complaint and Order for Hearing which was served upon Respondents at the addresses they are required to maintain with DIFS. The Order for Hearing

required Respondents 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 Respondents planned to attend the hearing, or (3) request an adjournment. Respondents failed to respond or take any action.

On March 22, 2021, DIFS staff filed a Motion for Interim Order. Respondents did not file a reply to the motion. Given Respondents' failure to respond, Petitioner's motion was granted, and the Director issued an Interim Order, which suspended Respondents' insurance producer licenses, ordered Respondents to respond to DIFS' original November 4, 2020 inquiry, and required Respondents to pay a \$2,000.00 fine. Respondents failed to respond or otherwise comply with the Director's Order.

On June 4, 2021, DIFS staff filed a Motion for Final Decision Following Order. Respondents did not file a reply to the motion. To date, Respondents have failed to pay the \$2,000.00 fine and respond to DIFS' original inquiry. Given Respondents' 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 Cornerstone is a licensed nonresident insurance producer agency, authorized to transact the business of insurance in Michigan, with a title qualification, and its license is currently suspended.
2. Respondent Branham is a licensed nonresident insurance producer authorized to transact the business of insurance in Michigan, with a title qualification, and his license is currently suspended. Respondent Branham is the designated responsible licensed producer for Respondent Cornerstone.
3. On November 4, 2020, DIFS staff sent a letter of inquiry to Respondents at their email address of record, which they are required per the Code to keep current with DIFS. The letter requested a written response to a November 2, 2020, consumer complaint filed against Respondents. The complainant sought to obtain a copy of the owner's policy from her title insurance transaction. No response was received. A second email was sent on November 10, 2020, to the same email address. An email message was returned to the sender indicating the email was "undelivered."
4. On November 12, 2020, DIFS staff sent the letter of inquiry to Respondents at their mailing address of record, which they are required per the Code to keep current with DIFS. No response was received, and the mail was not returned by the United States Postal Service (USPS).
5. On November 30, 2020, a Notice of Opportunity to Show Compliance (NOSC) was sent to Respondents at their mailing address of record. No response was received, and the mail was not returned by the USPS. On the same day, the NOSC was sent to Respondents at their email address of record. An email message was returned to the sender indicating the email was "undelivered."
6. On December 8th and 9th, 2020, DIFS staff attempted to call Respondent Branham at his telephone number of record. No contact was made, and no voicemail was available to leave a message.

7. As licensees, Respondents knew or had reason to know that Section 249(a) of the Code, MCL 500.249(a), states that for the purposes of ascertaining compliance with the provisions of the insurance laws of the state the Director may initiate proceedings to examine the accounts, records, documents and transactions pertaining to any insurance agent, surplus line agent, general agent, adjuster, public adjuster or counselor.
8. As licensees, Respondents knew or had reason to know that Section 1239(2)(e) of the Code, MCL 500.1239(2)(e), states that the director 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 for violating any insurance laws or violating any regulation, subpoena, or order of the Director.
9. As a licensees, Respondents 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. Respondents have provided justification for sanctions, pursuant to Sections 1239(2)(e) and 1244(1) of the Code, by failing to respond to letters of inquiry from DIFS staff as required pursuant to Section 249(a), MCL 500.249(a).
11. On February 10, 2021, DIFS issued an Administrative Complaint and Order for Hearing which was served upon Respondents at the addresses they are required to maintain with DIFS.
12. In paragraph 3 of the Order for Hearing, Respondents were ordered to do one of the following within 21 days of the date of the Order: 1) agree to a resolution with the opposing party, 2) file a response to the allegations in the Administrative Complaint and file a statement that Respondents plan to attend the hearing as scheduled, or 3) file a request for an adjournment. Paragraph 5 states that failure to make the required filing shall constitute the default of Respondents in this contested case.
13. On March 15, 2021, the Administrative Complaint and Order for Hearing were returned to DIFS by the USPS as "Attempted – Not Known, Unable to Forward".
14. On March 22, 2021, DIFS staff filed a Motion for Interim Order. Respondents did not file a reply to the motion.
15. DIFS staff has made reasonable efforts to serve Respondents and have complied with MCL 500.1238(2).
16. Respondents have received notice and has been given an opportunity to respond and appear and has not responded nor appeared.

17. Based upon the actions listed above, Respondents have 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.
18. Respondents are in default and the Petitioner is entitled to have all allegations accepted as true.

### III. Order

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

1. Respondents shall **CEASE** and **DESIST** from violating the Code.
2. Respondents shall immediately **CEASE** and **DESIST** from engaging in the business of insurance.
3. Pursuant to MCL 500.249(a), MCL 500.1239(2)(e), and MCL 500.1244(1), Respondents' licenses (System ID Nos. 0073869 & 0378835) are **REVOKED**.

Anita G. Fox, Director  
For the Director:



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Randall S. Gregg, Senior Deputy Director