

STATE OF MICHIGAN
DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES

Before the Director of the Department of Insurance and Financial Services

In the matter of:

Earl Jackson
System ID No. 0750765

Enforcement Case No. 16-14496

Respondent.

_____ /

Issued and entered
on October 12, 2016
by Teri L. Morante
Chief Deputy Director

**ORDER TO CEASE AND DESIST WITH STATEMENT OF FINDINGS
AND NOTICE OF OPPORTUNITY FOR HEARING**

Pursuant to Section 251 of the Michigan Insurance Code (Code), MCL 500.251, and after reviewing evidence of the conduct described in the attached Statement of Finding, and

WHEREAS, the Director of the Department of Insurance and Financial Services finds that immediate action is necessary and appropriate in the public interest for the protection of the public health, safety, and welfare, and consistent with the purposes fairly intended by public policy and provisions of the Code,

IT IS THEREFORE ORDERED THAT:

1. Respondent shall immediately **CEASE AND DESIST** from all activities in violation of the Code as described in the Statement of Findings.
2. A copy of this Order shall be immediately served upon Respondent. As to any respondent, this Order shall be effective upon the date of service.
3. Respondent will have 30 calendar days after the service of this Order to contest it by requesting a hearing. Within 10 calendar days after receiving the request, the hearing process shall commence. This Order shall remain in effect until further order of the Director. Any request for a hearing should be addressed to the Department of Insurance and Financial Services, Attention: Tracy A. Janousek, Hearings Clerk, P.O. Box 30220, Lansing, MI 48909-7720 or faxed to 517-284-8843.

4. Any such hearing held shall address the following issues:
 - a. The facts set forth in the Statement of Findings.
 - b. The continuation of the Order to Cease and Desist.
 - c. Restitution to be paid by the Respondent.
5. If a hearing is requested, an administrative law judge from the Michigan Administrative Hearing System shall preside over any such hearing.
6. The Director retains jurisdiction of the matters contained herein and the authority to issue such further Orders as shall be deemed just, necessary, and appropriate.
7. Pursuant to Section 251(6) of the Code, MCL 500.251(6), a person who violates or otherwise fails to comply with an Order to Cease and Desist is subject to one or more of the following:
 - a. Payment of a civil fine of not more than \$1,000 for each violation not to exceed an aggregate civil fine of \$30,000. However, if the person knew or reasonably should have known the conduct was in violation of the cease and desist order, the person shall be subject to a civil fine of not more than \$25,000 for each violation not to exceed an aggregate civil fine of \$250,000.
 - b. Suspension or revocation of the person's license or certificate of authority.
 - c. Complete restitution, in the form, amount, and within the period determined by the Director, to all persons in Michigan damaged by the violation or failure to comply.



Teri L. Morante
Chief Deputy Director

Dated: October 12, 2016

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STATEMENT OF FINDINGS

1. Pursuant to Executive Order 2013-1 all authority, powers, duties, functions, and responsibilities of the Commissioner of the Office of Financial and Insurance Regulation have been transferred to the Director of the Department of Insurance and Financial Services (DIFS).
2. Pursuant to Section 251(1) of the Code, MCL 500.251(1), the Director is empowered to issue a cease and desist order if the Director finds any of the following:
 - (a) A person is conducting transactions of insurance for which a certificate of authority is required by this act without having obtained a certificate of authority.
 - (b) A person is acting as an insurance agent, solicitor, adjuster, or counselor without a license as required by this act.
 - (c) A person is engaged in an act or practice in the business of insurance for which authority from or notification to the commissioner is required by this act and the person has not received authority or given notification.
 - (d) A person authorized to engage in the business of insurance under this act is engaged in conduct that presents an immediate danger to public health, safety, or welfare. MCL 500.251(1).
3. Respondent Earl Jackson (Respondent) knew or should have known that Section 500.1222(1) of the Code, MCL 500.1222(1), states that “[a] person shall not adjust loss or damage under a policy of insurance or advertise, solicit business, or hold himself or herself out to the public as an adjuster unless he or she is licensed as an adjuster.”
4. DIFS Staff received information about possible unlicensed activity by the Respondent. A review of DIFS’ records revealed that Respondent is not licensed under the Code.

5. After an investigation, DIFS Staff concluded that Respondent has engaged in activities regulated by the Code, without the requisite license, and has violated the insurance laws of this state. DIFS Staff found that Respondent represented himself as an adjuster by soliciting and presenting a contract to a customer on behalf of Advanced Claims Adjusting Inc. (ACA) for it to adjust the customer's property loss. Additionally, Respondent possessed a business card that identified himself as a public adjuster working for ACA.
6. At all relevant times, ACA has been a registered Michigan corporation. Angelia Marie Gilmore (System ID No. 0619635) (Gilmore) is the sole incorporator and owner of ACA and the wife of Respondent. Gilmore is a licensed resident adjuster for the insured with qualifications in fire and other hazards.
7. On or about Sunday, May 23, 2013, V.W. sustained fire damage to her home. On Sunday, June 9, 2013, Respondent met with V.W. to solicit business on behalf of both his fire repair employer, National Fire and Restoration Specialists, Inc. (National Fire) and ACA. Respondent presented V.W. with both a contract for National Fire and a contract for ACA. The contract with ACA was an adjusting contract whereby V.W. agreed to accept the adjusting services of ACA in return for 10% of the amounts received in settlement of the loss. Additionally, Respondent was in possession of an ACA business card that listed him as a licensed public adjuster and he represented himself to V.W. as an adjuster working for ACA.
8. By representing to V.W. that he was an adjuster and soliciting business from V.W. on behalf of ACA to adjust V.W. property loss and by advertising himself as a public adjuster on his business card, Respondent violated MCL 500.1222(1).
9. Based on the aforementioned findings, Respondent is acting as an insurance adjuster without a license as required by the Code.