

**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. 19-15496

Agency No. 19-387-L

Petitioner,

v

Roslyn Haywood

System ID No. 0681869

Respondent.
_____ /

Issued and entered
on January 10, 2020
by **Randall S. Gregg**
Senior Deputy Director

FINAL DECISION

I. Background

Roslyn Haywood (Respondent) is a licensed resident insurance producer. The Department of Insurance and Financial Services (DIFS) received information that Respondent knowingly submitted false account information into the State Farm Payment Plan system in order to bypass her customer's obligation to pay a two-month deposit. After investigation and verification of the information, on April 11, 2019, DIFS issued a Notice of Opportunity to Show Compliance (NOSC) which was mailed on April 12, 2019, 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 17, 2019, DIFS issued an Administrative Complaint and Order for Hearing which was served on July 22, 2019, upon Respondent at the address she 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 October 1, 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 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. At all relevant times, Roslyn Haywood (Respondent) was a licensed resident insurance producer, with qualifications in property, casualty, life, accident and health. Respondent was licensed on June 13, 2014, but her license was terminated for education on August 1, 2018. The termination of her license by operation of law is not a bar to administrative sanctions against Respondent, pursuant to Section 1239(5) of the Code, MCL 500.1239(5).
2. Respondent was appointed with State Farm Fire and Casualty Co., State Farm Life Insurance Co., and State Farm Mutual Automobile Insurance Co. (collectively State Farm) on September 30, 2016. Respondent's appointment was terminated on January 8, 2019, for knowingly entering false bank account information for State Farm Payment Plan (SFPP) recurring monthly accounts.
3. At all relevant times, Respondent was an employee of State Farm agent Angela Hughes (Hughes). During a review of the business Respondent wrote between August 2017 and December 2017, State Farm discovered that for 10 insureds, Respondent entered false bank information into that customer's SFPP account. When SFPP attempted to pull the premium, the result was a failed Automated Clearing House (ACH) entry. Respondent intentionally entered false information into her customer's SFPP accounts so that the customers could avoid having to pay a two-month deposit.
4. In October 2017, Hughes counseled Respondent regarding this activity. In January 2018, it was confirmed by Respondent and State Farm that the activity continued after the counseling. State Farm suspended Respondent's employment agreement from March 12, 2018, to April 10, 2018. Following her suspension, Hughes terminated Respondent's employment; therefore, State Farm did not renew her authorization.
5. On September 21, 2018, DIFS Staff mailed a letter of inquiry to Respondent at the mailing address on file. Respondent has not responded to the letter of inquiry nor has the letter been returned undeliverable by the post office. Additionally, on the same date, DIFS Staff emailed a copy of the letter of inquiry to Respondent at the email address on file. Respondent has not responded to the email letter of inquiry nor has the email been returned undeliverable to the DIFS email server.
6. As a licensee, Respondent knew or should have known that Section 249 of the Code, MCL 500.249, requires that licensees respond to inquiries from DIFS Staff. By failing to respond to a letter of inquiry from DIFS Staff, Respondent has violated Section 249 of the Code.
7. As a licensee, Respondent knew or had reason to know that Section 1239(1)(b) of the Code, MCL 500.1239(1)(b), provides that she may be sanctioned for violating any insurance laws. As set forth above, Respondent has violated Sections 249 of the Code, MCL 500.249 and, thus, provided justifications for sanctions, pursuant to Section 1239(1)(b) of the Code.

8. As a licensee, Respondent knew or had reason to know that Section 1239(1)(h) of the Code, MCL 500.1239(1)(h), provides that she may be sanctioned for “[u]sing fraudulent, coercive, or dishonest practices or demonstrating incompetence, untrustworthiness, or financial irresponsibility in the conduct of business in this state or elsewhere.” By knowingly submitting false account information into the SFPP system in order to bypass her customer’s obligation to pay a two-month deposit, Respondent has engaged in dishonest practices and demonstrated untrustworthiness in the conduct of business in this state and, thus, provided justification for sanctions, pursuant to Section 1239(1)(h) of the Code.
9. Based upon the actions listed above, Respondent has committed acts that provide justification for the Director to order the payment of a civil fine, the refund of any overcharges, that restitution be made to cover losses, damages or other harm attributed to Respondent’s violation or violations of the Code, and/or other licensing sanctions, including revocation of licensure.
10. On April 12, 2019, a Notice of Opportunity to Show Compliance was mailed by first class mail to Respondent at the following address on file: Roslyn Haywood, [REDACTED]. No response was received.
11. On July 22, 2019, true copies of an Administrative Complaint, Order for Hearing and Notice of Hearing were mailed by first class mail to Respondent at the following address of record on file with DIFS: Roslyn Haywood, [REDACTED].
12. DIFS has not received a response from the Respondent.
13. In paragraph 3 of the Order for Hearing, the Respondent was 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 Respondent plans 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 Respondent in this contested case.
14. DIFS Staff have made reasonable efforts to serve Respondent and have complied with MCL 500.1238(2).
15. Respondent has received notice and has been given an opportunity to respond and appear and has not responded nor appeared.
16. Respondent is in default and the Petitioner is entitled to have all allegations accepted as true.

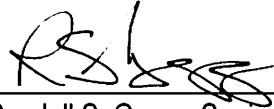
III. Order

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),(e) and (h), and MCL 500.1244(1)(d), Respondent's resident insurance producer license (System ID No. 0681869) is **REVOKED**.

Anita G. Fox, Director
For the Director:



Randall S. Gregg, Senior Deputy Director