

STATE OF MICHIGAN  
DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES

Before the Director of the Department of Insurance and Financial Services

In the matter of:

**Hub International Midwest Limited**  
System ID No. 0019304

**Enforcement Case No. 19-15866**

Respondents.  
\_\_\_\_\_ /

Issued and entered  
on February 25, 2020  
by **Randall S. Gregg**  
Senior Deputy Director

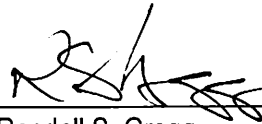
**ORDER ACCEPTING STIPULATION**

Based upon the Stipulation to Entry of Order and the files and records of the Department of Insurance and Financial Services (DIFS) in this matter, the Senior Deputy Director finds and concludes that:

1. The Senior Deputy Director has jurisdiction and authority to adopt and issue this Order Accepting Stipulation in this proceeding pursuant to the Michigan Administrative Procedures Act of 1969 (APA), as amended, MCL 24.201 *et seq.*, and the Michigan Insurance Code of 1956 (Code), MCL 500.100 *et seq.*
2. All required notices have been issued in this case, and the notices and service thereof were appropriate and lawful in all respects.
3. Acceptance of the Stipulation to Entry of Order is reasonable and in the public interest.
4. All applicable provisions of the APA have been met.
5. Respondent violated Section 1905(3)(d) of the Code, MCL 500.1905(3)(d), and provided justification for sanctions under Sections 1239(1)(b), 1239(3), and 1244(1)(a-d) of the Code, MCL 500.1239(1)(b), 500.1239(3), and 500.1244(1)(a-d). Respondent failed to timely file surplus lines taxes.
6. Respondent neither admits nor denies the violations cited in this Order Accepting Stipulation.
7. To resolve this matter and to avoid further costs and proceedings, Respondent has agreed to accept a monetary penalty that reflects the unintentional and technical nature of this violation.

Now therefore, based upon the Stipulation to Entry of Order and the facts surrounding this case, **IT IS ORDERED THAT:**

1. All agreements contained in the Stipulation to Entry of Order are accepted and adopted in their entirety.
2. Respondent shall pay to the State of Michigan, through DIFS, a civil fine in the amount of \$10,000.00. Respondent shall pay the fine by the DIFS invoice due date.
3. The Senior Deputy Director retains jurisdiction over the matters contained herein and has the authority to issue such further order(s) as shall be deemed just, necessary, and appropriate, if the Respondent violates the terms of this Order, in accordance with the Code. Failure to abide by the terms and provisions of the Stipulation to Entry of Order and this Order may result in the commencement of additional proceedings.



---

Randall S. Gregg  
Senior Deputy Director

**STATE OF MICHIGAN  
DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES**

**Before the Director of the Department of Insurance and Financial Services**

In the matter of:

**Hub International Midwest Limited**  
System ID No. 0019304

**Enforcement Case No. 19-15866**

Respondents.

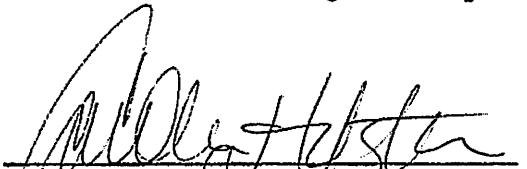
\_\_\_\_\_ /

**STIPULATION TO ENTRY OF ORDER**

Petitioner Department of Insurance and Financial Services (DIFS) and Hub International Midwest Limited (Respondent) stipulate to the following:

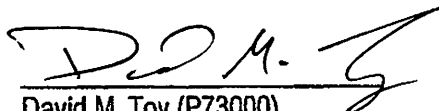
1. At all relevant times, Hub International Midwest Limited (Respondent) was a licensed non-resident insurance producer agency with qualifications in property and casualty, accident and health, and life. Respondent Agency has been licensed as a surplus lines producer in Michigan since March 7, 2002.
2. On or about December 19, 2019, the Department of Insurance and Financial Services (DIFS) served Respondent with a Notice of Opportunity to Show Compliance (NOSC) alleging that Respondents violated provisions of the Insurance Code of 1956 (Code), MCL 500.100 *et seq.*
3. Specifically, the NOSC contained allegations that Respondent violated Section 1905(3)(d) of the Code, MCL 500.1905(3)(d), and provided justification for sanctions under Sections 1239(1)(b), (d), and (h), 1239(3), and 1244(1)(a-d) of the Code, MCL 500.1239(1)(b), (d), and (h), 500.1239(3), and 500.1244(1)(a-d). Respondent failed to timely file surplus lines taxes.
4. Respondent and DIFS conferred for the purpose of resolving this matter.
5. Respondent exercised the right to an opportunity to show compliance pursuant to the Michigan Administrative Procedures Act (APA), MCL 24.201 *et seq.*
6. All parties have complied with the procedural requirements of the APA and the Code.
7. Respondent neither admits nor denies the violations cited in the NOSC and desires to avoid the time and expense of formal proceedings and agrees to resolve this matter pursuant to this Stipulation to Entry of Order.
8. Respondent agrees that it will pay to the State of Michigan, through DIFS, a civil fine in the amount of \$10,000.00. Respondent further agrees to pay the fine by the invoice due date.
9. Respondent agrees to comply with the Code, especially Section 1905(3)(d), MCL 500.1905(3)(d), and to timely file surplus lines taxes.

10. Respondent has had an opportunity to review this Stipulation to Entry of Order and the proposed Order Accepting Stipulation and have the same reviewed by legal counsel.
11. Respondent understands and agrees that this Stipulation to Entry of Order will be presented to the Senior Deputy Director for approval.
12. Respondent understands and agrees that the Senior Deputy Director may, in his sole discretion, decide to accept or reject this Stipulation to Entry of Order. If the Senior Deputy Director accepts the Stipulation to Entry of Order, Respondent waives the right to a hearing in this matter and consents to the entry of the Order Accepting Stipulation. If the Senior Deputy Director does not accept the Stipulation to Entry of Order, Respondent waives any objection to the Director holding a formal administrative hearing and making a decision after such hearing.

  
On Behalf of Hub/International Midwest Limited  
System ID No. 0019304

2/20/20  
Date

Carol Hofstee / CEO  
Printed Name/ Title

  
David M. Toy (P73000)  
DIFS Staff Attorney

2/21/2020  
Date