

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

Before the Director of the Department of Insurance and Financial Services

In the Matter of:

**JAMES J. CARNAGHI
System ID No. 0064940**

ENFORCEMENT CASE NO. 13-11911

Respondent.
_____ /

FINAL ORDER TO REVOKE INSURANCE PRODUCER LICENSE

**Issued and Entered,
This 26th day of March, 2014,
Teri L. Morante,
Chief Deputy Director**

**I.
FINDINGS OF FACT**

1. On December 30, 2013, pursuant to Section 1242 of the Insurance Code (Code), MCL 500.1242, and Section 92 of the Michigan Administrative Procedures Act (APA), MCL 24.292, the Chief Deputy Director of the Department of Insurance and Financial Services (DIFS) issued to Respondent an Order of Summary Suspension (Order), Notice of Opportunity for Hearing and Notice of Intent to Revoke License (Notice).
2. The Order and Notice, served on Respondent via certified mail, was received by Respondent on January 9, 2014, as evidenced by the signed certified mail Domestic Return Receipt.
3. The Order and Notice, incorporated herein, contained allegations that Respondent engaged in conduct providing justification for sanctions pursuant to Section 1239(1)(h) of the Code, MCL 500.1239(1)(h). Specifically, the Order and Notice alleged that Respondent was selling fraudulent automobile insurance certificates to Michigan consumers.
4. The Order and Notice further advised Respondent that, pursuant to Section 1242(4) of the Code, MCL 500.1242(4), if he requested a hearing, a hearing would be held within 20 calendar days after service of the Order and Notice, unless he requested a later date. The Order and Notice further indicated that the hearing would determine whether the suspension should be continued or withdrawn and whether his insurance producer license should be revoked.

5. Despite DIFS Staff having served Respondent and having complied with MCL 500.1238, Respondent has failed to request a hearing in this matter.
6. Pursuant to Section 1244 of the Code, MCL 500.1244, if, after an opportunity for a hearing, the Director finds that Respondent has violated Chapter 12 of the Code, the Director may issue and serve upon the person charged with the violations her findings and an order to cease and desist, and may order the suspension or revocation of Respondent's license.

II.

FINAL ORDER TO REVOKE INSURANCE PRODUCER LICENSE

NOW, THEREFORE, based upon the factual findings set forth above and the files and records of DIFS, **IT IS HEREBY ORDERED THAT:**

1. The factual allegations set forth in the Order and Notice shall be and hereby are found to be true and correct. Specifically, it is found that Respondent engaged in the practice of providing fraudulent automobile insurance certificates to Michigan consumers in exchange for money, thereby justifying the revocation of Respondent's insurance producer license pursuant to MCL 500.1239(1)(h).
2. Respondent's insurance producer license, System ID No. 0064940, issued pursuant to provisions of the Code, shall be and hereby is **REVOKED**. Respondent shall immediately return his original insurance producer license certificate.
3. Respondent shall Cease and Desist from violating the Code and from engaging in any conduct requiring a license to engage in such activity under the Code.
4. This Order shall be and is effective on the date issued. This Order shall remain in effect until terminated, modified, or set aside, in writing by the Director.
5. The Director specifically retains jurisdiction of the matter contained herein to issue such further order or orders as she may deem just, necessary, or appropriate so as to assure compliance with the law and protect the interest of the public.

IT IS SO ORDERED.



Teri L. Morante
Chief Deputy Director 3/26/14