

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

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

In the matter of:

**James Ralph Agency, Inc.**  
System ID No. 0040674

**Enforcement Case No. 16-12851**

**James K. Ralph, Jr.**  
System ID No. 0055473

Respondents.

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Issued and entered  
on May 2, 2018  
by Teri L. Morante  
Chief Deputy Director

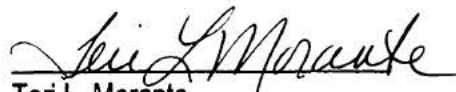
**ORDER ACCEPTING STIPULATION**

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 Chief Deputy Director finds and concludes that:

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 (Commissioner) have been transferred to the Director of DIFS.
2. The Chief 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.*
3. All required notices have been issued in this case, and the notices and service thereof were appropriate and lawful in all respects.
4. Acceptance of the Stipulation to Entry of Order is reasonable and in the public interest.
5. All applicable provisions of the APA have been met.
6. Respondents violated Sections 249, 1207(1) and (2), and 1208a(1) of the Code, MCL 500.249, 500.1207(1) and (2), and 500.1208a(1), by failing to timely respond to an inquiry by DIFS staff, failing to timely remit premium to an insurer, failing to use reasonable accounting methods to record premium received and refunds due an insured, and conducting unappointed activity.

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

7. Respondents shall timely respond to all future inquiries from DIFS staff.
8. Respondents shall only conduct insurance business on a direct billing basis, unless direct billing is not available from an insurer.
9. Respondents shall conduct insurance business in compliance with Section 1208a(1) of the Code, MCL 500.1208a(1).
10. Respondents shall pay to the State of Michigan, through DIFS, a civil fine of Two Thousand Five Hundred Dollars (\$2,500.00). Upon acceptance of this Order, DIFS will send an invoice to Respondents and Respondents shall pay the civil fine by the due date printed on the invoice. If Respondents fail to pay the civil fine by the due date, DIFS shall commence an action to determine if the Respondents have, in fact, failed to pay, and, if so, the civil fine will immediately increase to the maximum amount allowed under the Code and shall be immediately due in full.
11. The Chief 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 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.



Teri L. Morante  
Chief Deputy Director

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DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES

DIFS/OGC

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STIPULATION TO ENTRY OF ORDER

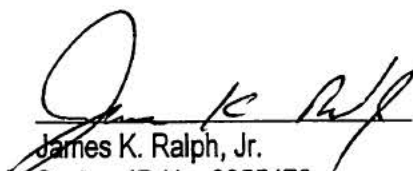
James K. Ralph, Jr. and James Ralph Agency, Inc. stipulate to the following:

1. On or about December 11, 2017, the Department of Insurance and Financial Services (DIFS) served Respondents 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.*
2. Specifically, the NOSC contained allegations that Respondents violated Section 249, 1207(1) and (2), and 1208a(1) of the Code, MCL 500.249, 500.1207(1) and (2), and 500.1208a(1), by failing to timely respond to an inquiry by DIFS staff, failing to timely remit premium to an insurer, failing to use reasonable accounting methods to record premium received and refunds due an insured, and conducting unappointed activity.
3. Respondents and DIFS conferred for the purpose of resolving this matter.
4. Respondents exercised the right to an opportunity to show compliance pursuant to the Michigan Administrative Procedures Act (APA), MCL 24.201 *et seq.*
5. At all pertinent times, Respondents were licensed with DIFS as insurance producers pursuant to the Code.
6. All parties have complied with the procedural requirements of the APA and the Code.
7. Respondents agree that they will cease and desist from operating in a manner that violates Sections 249, 1207(1) and (2), 1208a(1) of the Code, MCL 500.249, 500.1207(1) and (2), and 500.1208a(1).
8. Respondents agree to timely respond to all future inquiries from DIFS staff.
9. Respondents agree to only conduct insurance business on a direct billing basis, unless direct billing is not available from an insurer.

10. Respondents agree to conduct insurance business in compliance with Section 1208a(1) of the Code, MCL 500.1208a(1).
11. Respondents agree that they will pay to the State of Michigan, through DIFS, administrative and civil fines in the amount of \$2,500.00. Respondents further agree to pay the fine within 30 days of the invoice date as indicated on the DIFS invoice.
12. Respondents have 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.
13. Respondents understand and agree that this Stipulation to Entry of Order will be presented to the Chief Deputy Director for approval.
14. Respondents understand and agree that the Chief Deputy Director may, in her sole discretion, decide to accept or reject this Stipulation to Entry of Order. If the Chief Deputy Director accepts the Stipulation to Entry of Order, Respondents waive the right to a hearing in this matter and consents to the entry of the Order Accepting Stipulation. If the Chief Deputy Director does not accept the Stipulation to Entry of Order, Respondents waive any objection to the Director holding a formal administrative hearing and making a decision after such hearing.
15. It is further stipulated that failure to comply with the Order of the Director accepting this settlement by failing to pay the administrative and civil fines as set forth above shall result in the commencement of an action to suspend (or to continue the suspension of) all licenses held by Respondents under the Code.
16. It is further stipulated that the amount of fines and/or fees has been negotiated in return for the avoidance of further proceedings and certain promises and conditions, one of which is the timely payment of said fines and/or fees. Should Respondents fail to pay the fines and/or fees in accordance with the terms of this Stipulation and the Director's Order, the parties agree that an action will commence to determine if the Respondents have, in fact, failed to pay, and, if so, Respondents agree that the fines and/or fees will immediately increase to the maximum amount allowed under the Code, shall be immediately due in full, and Respondents' license(s) shall be revoked.

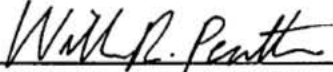
  
Authorized Representative of  
James Ralph Agency, Inc.  
System ID No. 0040674

4/27/2018  
Date

  
James K. Ralph, Jr.  
System ID No. 0055473

4/27/2018  
Date

DIFS Staff approve this Stipulation and recommend that the Chief Deputy Director accept it and issue an Order Accepting Stipulation.

  
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William R. Peattie (P48004)  
DIFS Staff Attorney

  
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Date