

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. 18-15390
Agency No. 18-108-L

Petitioner,

v

Justin Eugene Butler
System ID No. 0190091

You Walk Bail Bond Agency Inc.
System ID No. 0040233

Respondents.
_____ /

Issued and entered
on January 23, 2019
by Randall S. Gregg
Senior Deputy Director

FINAL DECISION

I. Background

Justin Eugene Butler (Respondent Butler) is a licensed resident insurance producer. You Walk Bail Bond Agency, Inc. (Respondent Agency) is a licensed resident insurance producer agency. The Department of Insurance and Financial Services (DIFS) received information that Respondents failed to respond to requests for information from DIFS and failed to comply with a Director's Order. After investigation and verification of the information, on October 30, 2018, DIFS issued a Notice of Opportunity to Show Compliance (NOSC) alleging that Respondents 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). Respondents failed to reply to the NOSC.

On December 10, 2018, DIFS issued an Administrative Complaint and Order for Hearing which was served upon Respondent at the address s/he is required to maintain with DIFS. The Order for Hearing required Respondents 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 Respondents planned to attend the hearing, or (3) request an adjournment. Respondent failed to respond or take any action.

On January 8, 2019, DIFS Staff filed a Motion for Final Decision. Respondents did not file a reply to the motion. Given Respondents' 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. On September 12, 2018, the Director issued a Final Decision in Enforcement Case Nos. 18-15276 and 18-15277 which accepted the following facts as true:
 - a. You Walk Bail Bond Agency Inc. (System ID No. 0040233) (Respondent Agency) is a licensed resident insurance producer agency.
 - b. Justin Eugene Butler (System ID No. 0190091) (Respondent Butler) is a licensed resident insurance producer. Respondent Butler holds qualifications in property, casualty, surety and fidelity. Respondent Butler has been licensed since August 5, 1998. Respondent Butler is the owner and designated responsible licensed producer (DRLP) for Respondent Agency.
 - c. On or about December 14, 2017, DIFS received a complaint from a customer who had paid an agent of Respondent Agency \$200.00 to post a bond at the 36th District Court, Detroit, Michigan. According to the complainant, the bond was never posted nor was money returned to the customer. The customer provided a receipt for the \$200.00 paid to Respondent Agency.
 - d. On December 26, 2017, DIFS mailed an initial letter to Respondent Agency at their address of record, 1442 Brush St., Fl. 2, Detroit, MI 48226, requesting a response to the complaint. The letter requested a response no later than January 16, 2018.
 - e. Having received no response, on February 28, 2018, DIFS called Respondent Agency at the phone number of record, [REDACTED]. At first, an individual answered the phone and then hung up. All subsequent calls were sent directly to voicemail.
 - f. On February 28, 2018, DIFS mailed a Notice of Opportunity to Show Compliance (NOSC) to Respondent Agency at their address of record. The NOSC alleged that Respondent Agency failed to respond to DIFS' request for information stemming from the December 14, 2017 complaint, as required by the Code. The NOSC required Respondent Agency to respond, as well as provide an explanation as to Respondent Agency's failure to respond to DIFS' letter of inquiry, no later than March 7, 2018. Respondent Agency failed to respond to the NOSC.
 - g. On March 28, 2018, DIFS attempted to contact Respondent Butler, the owner and DRLP for Respondent Agency at his phone number on file. Respondent Butler's ex-wife

answered the phone and indicated she is no longer associated with Respondent Agency and gave DIFS Respondent Butler's cell phone number. DIFS contacted Respondent Butler and left a message. Respondent Butler never responded to the message.

- h. Further, on March 28, 2018, DIFS added Respondent Butler to the complaint, as owner and DRLP for Respondent Agency, and mailed him a copy of the initial letter and complaint to his address on file, 1442 Brush St., Ste 1, Detroit, MI 48226. The letter requested a response no later than April 11, 2018. Respondent Butler did not respond.
- i. On April 17, 2018, DIFS mailed Respondent Butler an NOSC alleging that Respondent Butler failed to respond to DIFS' inquiries as required by the Code. The NOSC required Respondent Butler to respond no later than April 24, 2018. DIFS also emailed Respondent Butler the same day with a copy of the NOSC. The email was sent to Respondent Butler's email on file, [REDACTED]. No response was received and DIFS received verification that the email message was never picked up.
- j. On May 18, 2018, DIFS mailed a copy of the NOSC to Respondent Butler's home address, [REDACTED]. The NOSC required a response no later than May 25, 2018.
- k. Respondents failed to respond to all attempted contact regarding this matter. No mail was ever returned as undeliverable by the United States Postal Service.
- l. As licensees, Respondents 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 DIFS' inquiries, Respondents have violated Section 249 of the Code, MCL 500.249.
- m. As the DRLP, Respondent Butler failed to ensure Respondent Agency's compliance with this state's insurance laws, rules, and regulations.
- n. As licensees, Respondents knew or had reason to know that Section 1239(1)(b) of the Code, MCL 500.1239(1)(b), provides that they may be sanctioned for violating any insurance laws. As set forth above, Respondents violated Section 249 of the Code, MCL 500.249, and therefore provided justifications for sanctions, pursuant to Section 1239(1)(b) of the Code, MCL 500.1239(1)(b).
- o. On July 25, 2018, true copies of an Administrative Complaint, Order for Hearing and Notice of Hearing were mailed by first class mail to Respondents at the following addresses of record on file with DIFS:

You Walk Bail Bond Agency Inc.
1442 Brush St., Fl. 2
Detroit, MI 48226

Mr. Justin Eugene Butler
1442 Brush St., Ste 1
Detroit, MI 48226

Mr. Justin Eugene Butler
[REDACTED]


- p. DIFS has not received a response from the Respondent, and no mail was returned as undeliverable.

- q. In paragraph 3 of the Order for Hearing, the Respondents were 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 Respondents plan 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 Respondents in this contested case.
 - r. Respondents have failed to take any of the actions required by paragraph 3 of the Order for Hearing.
 - s. Despite DIFS Staff having made reasonable efforts to serve Respondents and having complied with 500.1238(2), Respondents have failed to appear and defend.
 - t. Respondents have received notice and have been given an opportunity to respond and appear and have not responded nor appeared.
2. The September 12, 2018 Final Decision also contained an Order requiring the Respondents to pay a \$500.00 civil fine by October 15, 2018 and respond to the Office of Consumer Services' original letter of inquiry within thirty (30) days from the date the Order was issued.
 3. Respondents have neither paid the fine nor responded to the Office of Consumer Services' letter of inquiry.
 4. As licensees, Respondents knew or had reason to know that Section 1239(1)(b) of the Code, MCL 500.1239(1)(b), provides that they may be sanctioned for violating any insurance laws or violating an insurance director's order. As set forth above, Respondents failed to comply with the Director's Order issued September 12, 2018, and, thus, provided justifications for sanctions, pursuant to Section 1239(1)(b) of the Code, MCL 500.1239(1)(b).
 5. On October 30, 2018, a Notice of Opportunity to Show Compliance was mailed by first class mail to Respondents at the following addresses on file:

You Walk Bail Bond Agency Inc. 1442 Brush St., Fl. 2 Detroit, MI 48226	Mr. Justin Eugene Butler 1442 Brush St., Ste 1 Detroit, MI 48226	Mr. Justin Eugene Butler 
--	--	---

No response was received, nor was the mail returned.

6. On December 10, 2018, true copies of an Administrative Complaint, Order for Hearing and Notice of Hearing were mailed by first class mail to Respondents at the following addresses of record on file with DIFS:

You Walk Bail Bond Agency Inc. 1442 Brush St., Fl. 2 Detroit, MI 48226	Mr. Justin Eugene Butler 1442 Brush St., Ste 1 Detroit, MI 48226	Mr. Justin Eugene Butler 
--	--	---

7. DIFS has not received a response from Respondents.

8. In paragraph 3 of the Order for Hearing, the Respondents were 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 Respondents plan 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 Respondents in this contested case.
9. Respondents have failed to take any of the actions required by paragraph 3 of the Order. See Petitioner's Exhibit 1, Affidavit of Christy Capelin.
10. Despite DIFS Staff having made reasonable efforts to serve Respondents and having complied with 500.1238(2), Respondents have failed to appear and defend.
11. Respondents have received notice and have been given an opportunity to respond and appear and have not responded nor appeared.
12. Respondents are in default and the Petitioner is entitled to have all allegations accepted as true.

III. Order

Based upon the Respondents' conduct and the applicable law cited above, it is ordered that:

1. Respondents shall **CEASE** and **DESIST** from violating the Code.
2. Respondents shall immediately **CEASE** and **DESIST** from engaging in the business of insurance.
3. Pursuant to MCL 500.249, MCL 500.1239(1)(b), and MCL 500.1244(1)(d), Respondent Butler's resident insurance producer license (System ID No. 0190091) is **REVOKED**.
4. Pursuant to MCL 500.249, MCL 500.1239(1)(b), and MCL 500.1244(1)(d), Respondent Agency's resident insurance producer agency license (System ID No. 0040233) is **REVOKED**.

Anita G. Fox, Director
For the Director:



Randall S. Gregg, Senior Deputy Director