

STATE OF MICHIGAN
DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES
Before the Director of the Department of Insurance and Financial Services

In the matter of:

Ray Joseph Georges
System ID No. 0150482

Enforcement Case No. 16-14205

Mari Muschegian
System ID No. 0201300

Stevany Shakare
System ID No. 0652446

LA Insurance Agency 129, LLC
System ID No. 0081759

Respondents.
_____ /

Issued and entered
on Oct. 3, 2019
by Teri L. Morante
Chief Deputy Director

ORDER ACCEPTING STIPULATION

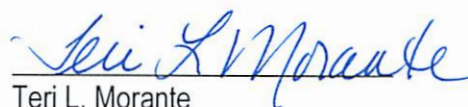
Based upon the Stipulation to Entry of Order and the files and records of the Department of Insurance and Financial Services (DIFS) in this matter, the Chief Deputy Director finds and concludes that:

1. 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.*
2. LA Insurance Agency 129, LLC (System ID No. 0081759) (hereinafter LA 129) is a licensed resident insurance agency producer. Its principal place of business is located at 23842 Joy Road, Redford, Michigan 48239.
3. Ray Joseph Georges (System ID No. 0150482) (hereinafter Georges) is a licensed resident insurance producer. During the period relevant to the above-captioned enforcement case, Georges served as a Designated Responsible Licensed Producer (DRLP) for LA 129.
4. Mari Muschegian (System ID No. 0201300) (hereinafter Muschegian) was a licensed resident insurance producer and served as a DRLP for LA 129 during the period relevant to the above-captioned enforcement case. Her license has been inactive since June 1, 2016.

5. Stevany Shakare (System ID No. 0652446) (hereinafter Shakare) became a licensed resident insurance producer on August 21, 2013. During the period relevant to the above-captioned enforcement case, she was not a licensed resident insurance producer.
6. LA 129, Georges, Muschegian, and Shakare are collectively herein referred to as the Respondents.
7. All required notices have been issued in this case, and the notices and service thereof were appropriate and lawful in all respects.
8. Acceptance of the Stipulation to Entry of Order is reasonable and in the public interest.
9. All applicable provisions of the APA have been met.
10. Respondents neither admit nor deny the allegations contained in the Notice of Opportunity to Show Compliance (NOSC) nor the findings contained in this Order set forth below, but have agreed to the entry of this Order to fully resolve the above-captioned enforcement case.
11. Based on its investigation of the above-captioned enforcement case, DIFS finds as follows:
 - a. LA 129 either sells or sold Nation Safe Drivers (NSD) motor club memberships in conjunction with the sale of DIFS-approved insurance policies. An NSD motor club membership was an optional ancillary product and the purchase of such a membership was not required to purchase a DIFS-approved insurance policy during the timeframe relative to this action.
 - b. DIFS Investigator Blood posed as a customer and traveled to LA 129 on August 2, 2013 to observe first-hand the manner in which LA 129 was conducting insurance transactions. Blood was assisted by Respondent Shakare who was unlicensed at that time. Shakare solicited the purchase of a Progressive auto policy during her interaction with Blood. Moreover, she provided false information to Blood by telling him that NSD was included with the Progressive policy and could not be removed without losing the discount that LA 129 offered on the policy.
 - c. Respondents LA 129, Georges, and Muschegian either knew or should have known that Respondent Shakare, an unlicensed person at the time, was engaged in the sale of insurance at LA 129 and that she provided false information to Investigator Blood by telling him that the price of a DIFS-approved insurance policy would increase if he declined to purchase NSD.
12. Based on the foregoing findings, the Chief Deputy Director finds and concludes that Respondents have committed acts under the Code that provide justification for the Director to order licensing sanctions according to Sections 1201a(1), 1239(1)(e), (1)(h), and (3), and 1244(1)(a-d) of the Code, MCL 500.1201a(1), 500.1239(1)(e), (1)(h), and (3), and 500.1244(1)(a-d).

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

1. The Stipulation to Entry of Order and all agreements contained therein are accepted in their entirety.
2. Respondent LA 129 shall pay a civil fine of \$1,500.00 within thirty days of the issuance of a DIFS invoice for said amount.
3. Respondent Stevany Shakare shall pay a civil fine of \$2,500.00 within thirty days of the issuance of a DIFS invoice for said amount.
4. Respondent Mari Muschegian shall pay a civil fine of \$1,100.00 within thirty days of the issuance of a DIFS invoice for said amount.
5. Respondent Ray Georges shall pay a civil fine of \$1,100.00 within thirty days of the issuance of a DIFS invoice for said amount.
6. Within thirty days of the execution of this agreement, LA 129 shall develop and implement a written internal procedure with respect to the sale of ancillary products in conjunction with or contemporaneously with insurance. The goal of the procedure is to ensure that the Code is not violated in the future in the manner described in paragraphs 11-12 above and that the informed consent of the customer has been obtained prior to the sale of the ancillary product. The procedure must communicate to LA 129 staff that the sale of an insurance policy cannot be conditioned upon the purchase of an ancillary product.
7. The Chief Deputy Director retains jurisdiction over the matters contained herein and has the authority to issue such further orders 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 constitutes an independent violation of the Code and may result in the commencement of additional proceedings that could impose additional penalties, including revocation of licensure.



Teri L. Morante
Chief Deputy Director

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Respondents.
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STIPULATION TO ENTRY OF ORDER

Petitioner DIFS and Respondents Ray Joseph Georges, Mari Muschegian, Stevany Shakare, and LA Insurance Agency 129, LLC, stipulate to the following:

1. On or about November 17, 2016, DIFS issued a Notice of Opportunity to Show Compliance (NOSC) in the above-captioned enforcement case. The complaint alleged that Respondents engaged in actions in violation of Sections 1201a(1) of the Code, MCL 500.1201a(1) and acts that gave rise to sanctions pursuant to Sections 1239(1)(e), (1)(h), and (3) of the Code, MCL 500.1239(1)(e), (1)(h), and 3. DIFS' factual assertions were essentially that Respondent Shakare engaged in the business of insurance during a period when she was unlicensed and that she attempted to deceive DIFS staff by falsely informing Investigator Blood that the price of an automobile policy would increase if he declined to purchase Nation Safe Drivers, an ancillary product. Moreover, with respect to LA 129, Georges, and Muschegian, it was alleged that Respondents were negligent by allowing Shakare to engage in such conduct.
2. Without admitting to any of the allegations set forth above, Respondents have reviewed and voluntarily consented to the entry of the Order Accepting Stipulation above.
3. Respondents understand that this Stipulation will be presented to the Chief Deputy Director for approval and the Chief Deputy Director may or may not approve and adopt it.
4. Respondents agree that the Chief Deputy Director has jurisdiction and authority to approve and adopt this Stipulation pursuant to the Code.
5. Respondents understand that, by agreeing to this Stipulation to Entry of Order, they are waiving the right, pursuant to the Code, the rules promulgated thereto, and the APA, to a hearing before an

administrative law judge, at which DIFS would be required to prove the charges set forth by presentation of evidence and legal authority and at which Respondents would be entitled to appear, to cross-examine all witnesses presented by DIFS, and to present such testimony or other evidence or legal authority deemed appropriate as a defense to said charges.

6. Respondents waive any objection to the Director deciding this case following a MAHS hearing in the event the Stipulation to Entry of Order is not approved.
7. The parties agree that the Stipulation to Entry of Order represents the full and complete agreement of the parties in this matter and, in the event that the Stipulation is accepted by the Chief Deputy Director, shall completely resolve the enforcement case captioned above.



Ray Joseph Georges, Respondent
System ID No. 0150482

9/27/19

Date

Mari Muschegian, Respondent
System ID No. 0201300

Date

Stevany Shakare, Respondent
System ID No. 0652446

Date



LA Insurance Agency 129, LLC, Respondent
System ID No. 0081759

9/27/19

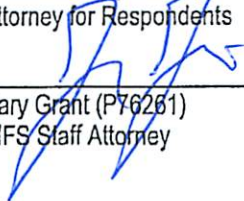
Date



John Rolecki (P78460)
Attorney for Respondents

9/30/2019

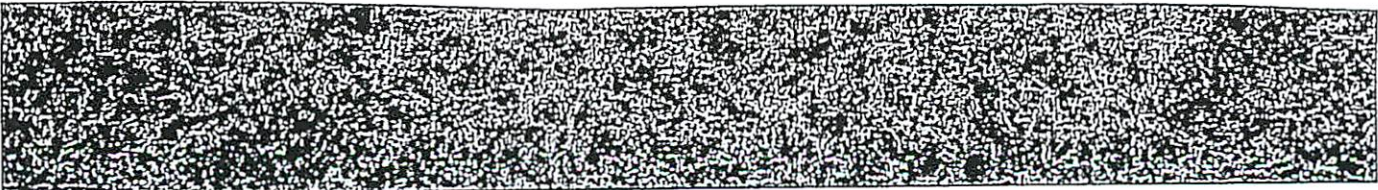
Date



Gary Grant (P76261)
DIFS Staff Attorney

9-30-19

Date



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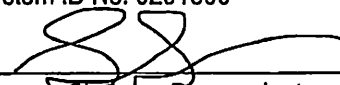
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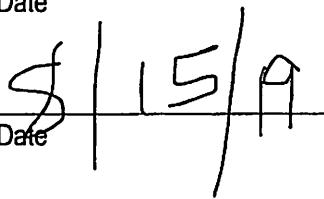
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Stevany Shakare, Respondent
System ID No. 0652446

Date



LA Insurance Agency 129, LLC, Respondent
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John Rolecki (P78460)
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System ID No. 0150482

Date

Mari Muschegian

Mari Muschegian, Respondent
System ID No. 0201300

8/21/19

Date

Stevany Shakare, Respondent
System ID No. 0652446

Date

LA Insurance Agency 129, LLC, Respondent
System ID No. 0081759

Date

John Rolecki (P78460)
Attorney for Respondents

Date

Gary Grant (P76261)
DIFS Staff Attorney

Date