

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

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

In the matter of:

**Lachaundra Hawkins**  
System ID No. 0687536

**Enforcement Case No. 16-14559**

Respondent.  
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**Issued and entered**  
on June 8, 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. At all relevant times, Lachaundra Hawkins (Respondent) was a licensed resident insurance producer, with qualifications in life and accident and health. Respondent has been licensed since July 11, 2014.
7. Respondent held appointments with New York Life Insurance and Annuity Corporation and New York Life Insurance Company (collectively, New York Life) since July 21, 2014. Respondent's appointments were cancelled for cause on March 11, 2016, for submitting five life insurance applications for clients without their knowledge or authorization and paying the premiums for these policies from her personal bank account through electronic fund transfer (EFT).

8. These five life insurance policies were submitted to New York Life without request or authorization of the purported policy owners. Respondent forged the clients' signatures on the applications and initials on the EFT authorization form. Respondent also represented that the "payer" of the policy was the policy owner when, in fact, Respondent paid the premiums from her personal bank account.
9. Respondent admitted to using her personal bank account to fund the premiums for these policies, as alleged above, in a written statement to New York Life dated February 8, 2016. Respondent stated she was under a lot of pressure to perform and trying to hit her required numbers became overwhelming. Respondent stated she understands she was wrong, takes responsibility for this, and would pay back all money that is owed.
10. Respondent received approximately \$12,436.00 in commissions as a result of writing these unauthorized policies. New York Life has confirmed that they have since been made whole by the Respondent.
11. As a licensee, Respondent knew or had reason to know that Section 2018 of the Code, MCL 500.2018, provides that an unfair method of competition and an unfair or deceptive act or practice in the business of insurance includes making false or fraudulent statements or representations on or relative to an application for an insurance policy for the purpose of obtaining a fee, commission, money, or other benefit from an insurer, agent, broker, or individual.
12. Respondent violated Section 2018 of the Code by forging clients' signatures on applications for life insurance, forging initials on EFT authorization forms, and misrepresenting the source of the policy payment on the applications and EFT forms, for the purpose of obtaining a commission.
13. As a licensee, Respondent knew or had reason to know that Section 2066 of the Code, MCL 500.2066, provides that no insurance agent transacting any kind of insurance business shall pay, directly or indirectly, any rebate of, or part of, the premium payable on the policy or on any policy, or inducement to or for insurance, on any risk in this state now or hereafter to be written, which is not specified in the contract of insurance.
14. Respondent violated Section 2066 of the Code by paying policy premiums on behalf of clients directly from Respondent's personal bank account.
15. As a licensee, Respondent knew or had reason to know that Section 2003 of the Code, MCL 500.2003, prohibits licensees from engaging in practices defined in the Code as being unfair methods of competition or an unfair or deceptive act or practice in the business of insurance.
16. Respondent violated Section 2003 of the Code by engaging in a trade practice that is defined in Sections 2018 and 2066 as an unfair method of competition or an unfair and deceptive act or practice in the business of insurance, as set forth above.
17. As a licensee, Respondent knew or had reason to know that Section 4503(a) of the Code, MCL 500.4503(a), prohibits licensees from knowingly preparing or presenting written or oral statements containing false information concerning any fact or thing material to the application for insurance with the intent to injure, defraud, or deceive.

18. Respondent violated Section 4503(a) of the Code by preparing and submitting unauthorized applications for insurance policies that contained forged signatures and misrepresented the source of the policy payment, which was the Respondent's personal bank account, with the intent to deceive the insurer as to the authority and validity of the application.
19. As a licensee, Respondent knew or had reason to know that Section 1239(1)(b) of the Code, MCL 500.1239(1)(b), provides that she may be sanctioned for violating any insurance laws. As set forth above, Respondent has violated Sections 2003, 2018, 2066, and 4503(a) of the Code, MCL 500.2003, 500.2018, 500.2066, and 500.4503(a) and, thus, provided justifications for sanctions, pursuant to Section 1239(1)(b) of the Code, MCL 500.1239(1)(b).
20. As a licensee, Respondent knew or had reason to know that Section 1239(1)(e) of the Code, MCL 500.1239(1)(e), provides that she may be sanctioned for intentionally misrepresenting the terms of an actual or proposed insurance contract or application for insurance. As set forth above, Respondent forged clients' signatures and initials on applications for insurance, misrepresented who the policy payer was, and intentionally misrepresented that the applications had the authorization of the purported policy owners and, thus, provided justifications for sanctions, pursuant to Section 1239(1)(e) of the Code, MCL 500.1239(1)(e).
21. As a licensee, Respondent knew or had reason to know that Section 1239(1)(g) of the Code, MCL 500.1239(1)(g), provides that she may be sanctioned for having admitted or been found to have committed any insurance unfair trade practice or fraud. As set forth above, Respondent forged clients' signatures and initials on applications for insurance, misrepresented who the policy payer was, and intentionally misrepresented that the applications had the authorization of the purported policy owners. Further, Respondent admitted to paying policy premiums from her personal bank account. Respondent has violated Sections 2003, 2018, and 2066 of the Code, and, thus, provided justifications for sanctions, pursuant to Section 1239(1)(g) of the Code, MCL 500.1239(1)(g).
22. As a licensee, Respondent knew or had reason to know that Section 1239(1)(h) of the Code, MCL 500.1239(1)(h), provides that she may be sanctioned for "[u]sing fraudulent, coercive, or dishonest practices or demonstrating incompetence, untrustworthiness, or financial irresponsibility in the conduct of business in this state or elsewhere." By forging clients' signatures and initials on applications for insurance, misrepresenting who the policy payer was, intentionally misrepresenting that the applications had the authorization of the purported policy owners, and paying policy premiums from her personal bank account, Respondent has used fraudulent and dishonest practices and demonstrated incompetence and untrustworthiness in the conduct of business in this state and, thus, provided justification for sanctions, pursuant to Section 1239(1)(h) of the Code, MCL 500.1239(1)(h).
23. As a licensee, Respondent knew or had reason to know that Section 1239(1)(j) of the Code, MCL 500.1239(1)(j), provides that she may be sanctioned for forging another's name to an application for insurance or to any document related to an insurance transaction. As set forth above, Respondent forged clients' signatures and initials on applications for insurance and on EFT authorization forms and, thus, provided justification for sanctions, pursuant to Section 1239(1)(j) of the Code, MCL 500.1239(1)(j).

24. Based on the foregoing, DIFS finds that Respondent has committed acts under the Code that provide justification for the Director to order licensing sanctions according to Sections 1239(1)(b), (1)(e), (1)(g), (1)(h), and (1)(j) and 1244(1)(a-d) of the Code, MCL 500.1239(1)(b), (1)(e), (1)(g), (1)(h), and (1)(j) 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. All agreements contained in the Stipulation to Entry of Order are accepted and adopted in their entirety.
2. Respondent Lachaundra Hawkins' resident insurance producers license shall be **REVOKED**, effective immediately upon the issuance of this Order
3. 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

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

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

In the matter of:

**Lachaundra Hawkins**  
System ID No. 0687536

**Enforcement Case No. 16-14559**

Respondent.  
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**STIPULATION TO ENTRY OF ORDER**

Petitioner Department of Insurance and Financial Services (DIFS) and Respondent Lachaundra Hawkins stipulate to the following:

1. Lachaundra Hawkins (System ID No. 0687536) (Respondent) is a licensed resident insurance producer.
2. On or about March 30, 2018, the Department of Insurance and Financial Services (DIFS) served Respondent with a Notice of Opportunity to Show Compliance (NOSC) alleging that Respondent violated provisions of the Michigan Insurance Code (Code) by submitting and signing for five life insurance applications for clients without their knowledge or authorization and paying the premiums for these policies from her personal bank account through electronic fund transfer. DIFS asserts that this action constituted violations of Sections 2003, 2018, 2066, and 4503(a) of the Code, MCL 500.2003, 500.2018, 500.2066, and 500.4503(a), and gave rise to sanctions pursuant to Sections 1239(1)(b), (1)(e), (1)(g), (1)(h), and (1)(j) and 1244(1)(a-d) of the Code, MCL 500.1239(1)(b), (1)(e), (1)(g), (1)(h), and (1)(j) and 500.1244(1)(a-d).
3. Respondent admits to the allegations above and has agreed to the entry of a stipulated order for the purpose of resolving this matter.
4. Respondent admits that all parties have complied with the procedural requirements of the Michigan Administrative Procedures Act (APA), MCL 24.201 *et seq.* and the Code.
5. Respondent waives her right to a hearing under the Code.
6. Respondent agrees that her Michigan insurance producer license will be **REVOKED** effective immediately upon the issuance of the Order Accepting Stipulation and that she will not seek relicensing in the State of Michigan.
7. 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.
8. Respondent understands and agrees that this Stipulation to Entry of Order will be presented to the Chief Deputy Director for approval.

9. Respondent understands and agrees 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, Respondent waives the right to a hearing in this matter and consents to the entry of the Order Accepting Stipulation and Requiring Compliance and Payment of Fines. If the Chief 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.

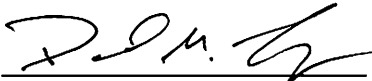


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Lachaundra Hawkins  
System ID No. 0687536

6/8/18

\_\_\_\_\_  
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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David M. Toy (P73000)  
DIFS Staff Attorney

6/8/18

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Date