

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

Before the Director of the Department of Insurance and Financial Services

In the matter of:

Michael Stemple
System ID No. 0361812

Enforcement Case No. 20-16224

Respondent.

_____ /

**Issued and entered
on June 18, 2021
by Randall S. Gregg
Senior 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 Senior Deputy Director finds and concludes that:

1. The Senior 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. All required notices have been issued in this case, and the notices and service thereof were appropriate and lawful in all respects.
3. Acceptance of the Stipulation to Entry of Order is reasonable and in the public interest.
4. All applicable provisions of the APA have been met.
5. During the course of DIFS' investigation, it found violations of MCL 500.1239(1)(c), (f), (g) and (2)(e), MCL 500.2003, and MCL 500.4503(a) and (b).
6. Respondent neither admits nor denies the violations cited in this Order Accepting Stipulation.
7. In resolution of this matter and to avoid further costs and proceedings, Respondent has agreed to accept sanctions, including a civil fine of \$6,000.00 and making full restitution to the victims of his alleged conduct.

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 shall pay to the State of Michigan, through DIFS, a civil fine in the amount of \$6,000.00 within sixty (60) days.
3. Respondent shall make full restitution to the victims within ninety (90) days.
4. The Senior 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, if Respondent violates the terms of this Order, 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.



Randall S. Gregg
Senior Deputy Director

STATE OF MICHIGAN
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STIPULATION TO ENTRY OF ORDER

Petitioner Department of Insurance and Financial Services (DIFS) and Michael Stemple (System ID No. 0361812) (Respondent) stipulate to the following:

1. At all relevant times, Respondent was an active licensed resident producer with qualifications in accident and health, life, and variable annuities. Respondent has been licensed since March 29, 2005.
2. On or about December 3, 2020, DIFS served Respondent with a Notice of Opportunity to Show Compliance (NOSC), alleging that Respondent violated provisions of the Insurance Code of 1956 (Code), MCL 500.100 *et seq.*
3. Specifically, the NOSC contained allegations that Respondent violated MCL 500.1239(1)(c), (f), (g) (2)(e), MCL 500.2003, and MCL 500.4503(a) and (b). The NOSC alleged that Respondent knowingly reported the incorrect income for three individuals on their applications for health insurance on Michigan's Health Insurance Marketplace (Marketplace).
4. These allegations, if proven, would subject Respondent to sanctions pursuant to MCL 500.150(1), MCL 500.1239(1)(c), (f), and (g), and (2)(e), MCL 500.1244(1)(a)-(d), and MCL 500.2038(1), which may include the payment of a civil fine, restitution to cover any losses, damages, or other harms attributed to Respondent's violation or violations of the Code, and/or other sanctions, including limitation, revocation, or suspension of Respondent's license.
5. Respondent neither admits nor denies the violations cited in herein. This Stipulation to Entry of Order and the proposed Order Accepting Stipulation is entered solely to resolve an inquiry and does not constitute an admission of wrongdoing.
6. Respondent and DIFS conferred for the purpose of resolving this matter.
7. Respondent waives his right to an administrative hearing pursuant to the Michigan Administrative Procedures Act (APA), MCL 24.201 *et seq.*
8. All parties have complied with the procedural requirements of the APA and the Code.

9. Respondent agrees to cease and desist from operating in any manner that violates the Insurance Code, including the specific violations alleged in the NOSC and herein.
10. Respondent agrees to comply with the provisions of the Code, including the specific provisions cited in the NOSC and herein.
11. Respondent agrees to the following terms in settlement of DIFS allegations against him:
 - a. Respondent agrees to pay restitution to the three victims, listed below, who have incurred tax liabilities due to Respondent reporting the incorrect income on their applications for health insurance on the Marketplace.
 - i. Such restitution shall be paid in full within 90 days;
 - ii. Within 30 days of payment, Respondent shall provide proof of payment to DIFS in the form of copies of cashed or cancelled checks showing that each victim has been paid in full; and
 - iii. Should any victim have died, Respondent shall make the restitution payment to the victim's estate.
 - b. Restitution shall be paid to each victim, in accordance with the provisions of this Stipulation to Entry of Order and the proposed Order Accepting Stipulation, as follows:
 - i. R.B.: \$2,773.00;
 - ii. N.F.: \$1,325.00; and
 - iii. J.L.: \$4,656.00.
 - c. Restitution totals \$8,754.00.
 - d. Respondent has reviewed DIFS' determination of the amount of restitution and agrees that it is reasonable and accurate.
 - e. Respondent further agrees to pay a civil fine of \$6,000.00 within sixty (60) days of the effective date of this Stipulation to Entry of Order and the proposed Order Accepting Stipulation.
 - f. Respondent will take 12 credits of continuing education courses within sixty (60) days, which must be in addition to the otherwise required continuing education courses, all of which must be classes approved for Michigan insurance producers. The continuing education credits must include at least six credits of ethics course or courses.
12. **The payment for the market conduct fee shall be sent along with the DIFS invoice and shall be mailed to the address indicated on the DIFS invoice.**


13. All other materials must be sent to:

Joshua Smith, Staff Attorney
PERSONAL & CONFIDENTIAL
Department of Insurance and Financial Services
Office of General Counsel
P.O. Box 30220
Lansing, MI 48909-7720


14. This Stipulation to Entry of Order and the proposed Order Accepting Stipulation resolves Enforcement Case 20-16224 against Respondent, which is based on the complaints of R.B., N.F. and J.L., and DIFS subsequent investigation. It resolves no other matter or matters that exist or may potentially exist, whether administrative, civil or criminal.
15. In addition to the other penalties stated in this Stipulation to Entry of Order and the proposed Order Accepting Stipulation, Respondent agrees that the failure to complete any aspect of this Stipulation to Entry of Order and the proposed Order Accepting Stipulation, including failure to complete any aspect within the time period or periods indicated herein, will result in:
- a. The doubling of the market conduct fee to \$12,000.00;
 - b. The automatic suspension of Respondent's insurance license;
 - c. The denial of any renewals or future insurance license applications; and
 - d. An administrative action for the revocation of Respondent's insurance license.
16. Unless otherwise stated, all time periods run from the date the proposed Order Accepting Stipulation is issued and entered by the Senior Deputy Director.
17. Respondent warrants and agrees that he and/or his respective representative or representatives have the right and legal authority to execute this Stipulation to Entry of Order and legally bind Respondent.
18. The Parties agree that this Stipulation to Entry of Order represents their full and complete agreement in this matter and that the whole agreement between them is written in Stipulation to Entry of Order. There are no terms or conditions, express or implied, other than expressly stated in this Stipulation to Entry of Order. This Stipulation to Entry of Order may be amended or modified only by an instrument in writing, signed by the parties with the same formality as this Stipulation to Entry of Order.
19. Respondent agrees that the Senior Deputy Director has jurisdiction and authority to approve and adopt this Stipulation to Entry of Order pursuant to the Code.
20. The penalties for failure to comply with this Stipulation to Entry of Order and the proposed Order Accepting Stipulation will continue until compliance is made with the terms of this Stipulation to Entry of Order. Unless otherwise specified in this Stipulation to Entry of Order and the proposed Order

Accepting Stipulation, requirements imposed on Respondent must be fulfilled in accordance with the terms of this Stipulation to Entry of Order and the proposed Order Accepting Stipulation.

21. 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.
22. Respondent understands and agrees that this Stipulation to Entry of Order will be presented to the Senior Deputy Director for approval.
23. Respondent understands and agrees that the Senior Deputy Director may, in his or her sole discretion, decide to accept or reject this Stipulation to Entry of Order. If the Senior 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. If the Senior 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.


Michael Stemple
System ID 0361812

6-15-2021
Date


Edward M. Olson (P38133)
Attorney for Respondent

6/14/2021
Date

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


Joshua S. Smith (P63349)
DIFS Staff Attorney

June 15, 2021
Date