

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

Before the Director of the Department of Insurance and Financial Services

In the matter of:

Diana Louise Carlson
System ID No. 0356702

Enforcement Case No. 15-12548

Old Town Title, LLC
System ID No. 0069004

Respondents.

_____ /

Issued and entered
on February 5, 2016
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 the Department of Insurance and Financial Services (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, Respondents were licensed resident insurance producers.

7. Respondents have violated Section 402 and 402a of the Code, MCL 500.402 and 500.402a, by issuing title insurance policies without a certificate of authority.
8. Respondents have violated Section 1207(1) of the Code, MCL 500.1207(1) by receiving money from policyholders and failing to remit the money to the insurer to which it is owed.
9. Respondents have violated Section 1208a(1) of the Code, MCL 500.1208a(1) by acting as an insurance producer of Transnation without being appointed by Transnation.
10. Respondents have given justification for sanctions pursuant to Section 1239(1)(d) of the Code, MCL 500.1239(1)(d) by improperly withholding, misappropriating, or converting insurance premium received in the course of doing insurance business.
11. Respondents have given justification for sanctions pursuant to Section 1239(1)(h) of the Code, MCL 500.1239(1)(h) by using fraudulent, coercive, and dishonest practices and demonstrated incompetence, untrustworthiness, or financial irresponsibility in the conduct of doing insurance business by creating a fictitious insurance policy, acting as an insurer without a certificate of authority, and failing to submit insurance applications and failing to remit insurance premium to an insurer.

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

12. Respondents shall cease and desist from operating in a manner that violates the Code.
13. Respondent Diana Louise Carlson's resident insurance producer license and authority are hereby **REVOKED**.
14. Respondent Old Town Title, LLC's resident insurance producer license and authority are hereby **REVOKED**.
15. 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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Diana Louise Carlson
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RECEIVED

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DIFS/OGC

Respondents.

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STIPULATION TO ENTRY OF ORDER

Diana Louise Carlson and Old Town Title, LLC (Respondents) stipulate to the following:

1. At all pertinent times, Respondents were licensed with the Department of Insurance and Financial Services (DIFS) as resident insurance producers pursuant to the Michigan Insurance Code of 1956 (Code), MCL 500.100 *et seq.*
2. On or about November 4, 2015, DIFS served Respondents with a Notice of Opportunity to Show Compliance (NOSC) alleging that Respondents violated provisions of the Code.
3. Specifically, the NOSC contained allegations that Respondents acted as an insurer without a certificate of authority, failing to submit insurance applications and failed to remit insurance premium to insurers, acted on behalf of an insurer without being appointed by the insurer, and used fraudulent, coercive, and dishonest practices and demonstrated incompetence, untrustworthiness, or financial irresponsibility in the conduct of business which provides justification for sanction pursuant to Sections 402, 402a, 1207(1), 1208a, and 1239(1)(d) & (h) of the Code, MCL 500.402, 500.402a, 500.1207(1), 500.1208a, and 500.1239(1)(d), and 500.1239(1)(h).
4. Respondents' attorney and DIFS conferred for the purpose of resolving this matter.
5. Respondents exercised the right to an opportunity to show compliance pursuant to the Michigan Administrative Procedures Act (APA), MCL 24.201 *et seq.*
6. Respondents failed to show compliance with the Code.
7. All parties have complied with the procedural requirements of the APA and the Code.
8. Respondents do not contest the allegations contained in the NOSC.

9. Respondents agree that they will cease and desist from operating in a manner which provides justification for sanction pursuant to 402, 402a, 1207(1), 1208a, and 1239(1)(d) & (h) of the Code, MCL 500.402, 500.402a, 500.1207(1), 500.1208a, and 500.1239(1)(d), and 500.1239(1)(h).
10. Respondents agree that Respondent Carlson's and Old Town Title's insurance producer licenses shall be revoked.
11. 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.
12. Respondents understand and agree that this Stipulation to Entry of Order will be presented to the Chief Deputy Director for approval.
13. 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 consent 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 her decision after such hearing.
14. It is further stipulated that failure to comply with the Order of the Director accepting this settlement by failing to comply with the terms as set forth above shall result in the commencement of an action to revoke all licenses held under the Code held by Respondents.


Diana Louise Carlson
System ID No. 0356702

1-29-16
Date


Old Town Title, LLC
System ID No. 0069004

1-29-16
Date

DIFS Staff approve this stipulation and recommend that the Chief Deputy Director issue the above Consent Order.


William R. Peattie (P48004)
DIFS Staff Attorney

2/4/16
Date