

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

Before the Director of the Department of Insurance and Financial Services

In the matter of:

PATRICK PRUNEAU
System ID No. 0406402

ENFORCEMENT CASE NO. 13-11812

Respondent.

_____ /

Issued and entered
on April 10, 2014
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:

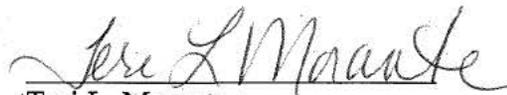
1. Pursuant to Executive Order 2013-1, all authority, powers, duties, functions, and responsibilities of the Commissioner of the Office of Financial and Insurance Regulation (Commissioner) have been transferred to the Director of the Department of Insurance and Financial Services (DIFS).
2. The Chief 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, Patrick Pruneau (System ID No. 0406402) (hereinafter Respondent) was a licensed resident insurance producer with qualifications in life, accident and health, property and casualty, and variable annuities in the State of Michigan.
7. Respondent submitted eight fictitious auto applications in order to receive commissions. Four of the eight policies were allegedly for the same customer with premiums ranging

from \$6,100 to \$77,500. The initial premium payments were submitted by Respondent personally. He subsequently either voided the policies from Farmers Insurance Exchange of Farmers Insurance Group's (Farmers) database or set the policies up for electronic funds transfer of the premium payments from invalid bank accounts.

8. Respondent has provided justification for sanctions, pursuant to Section 1239(1)(h) of the Code, MCL 500.1239(1)(h) by demonstrating incompetence, untrustworthiness and financial irresponsibility in the conduct of business by improperly submitting fictitious policies received in the course of doing insurance business by entering checks (payments for auto insurance premiums) into Farmers' payment system and then subsequently deleting the payments in order to receive commissions.

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

9. Respondent shall cease and desist from operating in a manner that violates the Code.
10. Respondent shall immediately surrender his Michigan resident insurance producer license.
11. 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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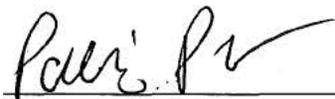
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STIPULATION TO ENTRY OF ORDER

Patrick Pruneau (hereinafter Respondent) stipulates to the following:

1. On or about November 21, 2013, 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 Insurance Code of 1956 (Code), MCL 500.100 *et seq.*
2. The NOSC contained allegations that Respondent submitted eight fictitious auto applications in order to receive commissions. Four of the eight policies were allegedly for the same customer with premiums ranging from \$6,100 to \$77,500. The initial premium payments were submitted by Respondent personally. He subsequently either voided the policies from Farmers Insurance Exchange of Farmers Insurance Group's (Farmers) database or set the policies up for electronic funds transfer of the premium payments from invalid bank accounts.
3. Specifically, the NOSC contained allegations that Respondent provided justification for sanctions, pursuant to Section 1239(1)(h) of the Code, MCL 500.1239(1)(h).
4. Respondent waived the right to an opportunity to show compliance pursuant to the Michigan Administrative Procedures Act (APA), MCL 24.201 *et seq.*
5. Respondent and DIFS conferred for the purpose of resolving this matter.
6. At all pertinent times, Respondent was licensed with DIFS as a licensed resident insurance producer pursuant to the Code.
7. All parties have complied with the procedural requirements of the APA and the Code.
8. Respondent admits to the allegations contained in the NOSC.

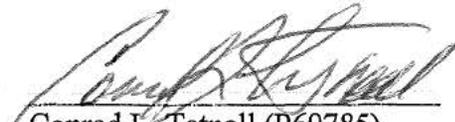
9. Respondent agrees that he will cease and desist from operating in a manner that violates the Code.
10. Respondent agrees to immediately voluntarily surrender his Michigan resident insurance producer license.
11. Respondent affirms that his license is no longer in his possession, and as such, cannot be returned. Should he find it at a later date, he agrees to immediately destroy it.
12. Respondent understands and agrees 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, Respondent waives the right to a hearing in this matter and consents to the entry of the Order Accepting Stipulation and Requiring Compliance. 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 his decision after such hearing.
14. 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.



Patrick Pruneau
System ID No. 0406402

3/29/14
Date

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



Conrad L. Tatnall (P69785)
DIFS' Staff Attorney

4/3/14
Date