

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

Before the Director of the Department of Insurance and Financial Services

In the matter of:

Raymond Richard aka Deangelo Richard
Unlicensed

Enforcement Case No. 19-15558

Respondent.
_____ /

Issued and entered
on June 10, 2019
by Teri L. Morante
Chief Deputy Director

**ORDER TO CEASE AND DESIST WITH STATEMENT OF FINDINGS
AND NOTICE OF OPPORTUNITY FOR HEARING**

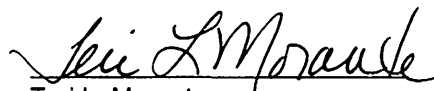
Pursuant to Section 251 of the Michigan Insurance Code (Code), MCL 500.251, and after reviewing evidence of the conduct described in the attached Statement of Findings, and

WHEREAS, the Director of the Department of Insurance and Financial Services finds that immediate action is necessary and appropriate in the public interest for the protection of the public health, safety, and welfare, and consistent with the purposes fairly intended by public policy and provisions of the Code,

IT IS THEREFORE ORDERED THAT:

1. The Respondent shall immediately **CEASE AND DESIST** from all activities in violation of the Code as described in the Statement of Findings.
2. A copy of this Order shall be immediately served upon Respondent. As to any Respondent, this Order shall be effective upon the date of service.
3. Respondent will have 30 calendar days after the service of this Order to contest it by requesting a hearing. Within 10 calendar days after receiving the request, the hearing process shall commence. This Order shall remain in effect until further order of the Director. Any request for a hearing should be addressed to the Department of Insurance and Financial Services, Attention: Christy Capelin, Hearings Coordinator, P.O. Box 30220, Lansing, MI 48909-7720 or faxed to 517-284-8843.
4. Any such hearing held shall address the following issues:
 - a. The facts set forth in the Statement of Findings.

- b. The continuation of the Order to Cease and Desist.
 - c. Restitution to be paid by the Respondent.
5. If a hearing is requested, an administrative law judge from the Michigan Administrative Hearing System shall preside over any such hearing.
 6. The Director retains jurisdiction of the matters contained herein and the authority to issue such further Orders as shall be deemed just, necessary, and appropriate.
 7. Pursuant to Section 251(6) of the Code, MCL 500.251(6), a person who violates or otherwise fails to comply with an Order to Cease and Desist is subject to one or more of the following:
 - a. Payment of a civil fine of not more than \$1,000 for each violation not to exceed an aggregate civil fine of \$30,000. However, if the person knew or reasonably should have known the conduct was in violation of the cease and desist order, the person shall be subject to a civil fine of not more than \$25,000 for each violation not to exceed an aggregate civil fine of \$250,000.
 - b. Suspension or revocation of the person's license or certificate of authority.
 - c. Complete restitution, in the form, amount, and within the period determined by the Director, to all persons in Michigan damaged by the violation or failure to comply.



Teri L. Morante
Chief Deputy Director

Dated: June 10, 2019

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RESPONDENT.

_____ /

STATEMENT OF FINDINGS

1. Pursuant to Section 251(1) of the Code, MCL 500.251(1), the Director is empowered to issue a cease and desist order if the Director finds any of the following:
 - (a) A person is conducting transactions of insurance for which a certificate of authority is required by this act without having obtained a certificate of authority.
 - (b) A person is acting as an insurance agent, solicitor, adjuster, or counselor without a license as required by this act.
 - (c) A person is engaged in an act or practice in the business of insurance for which authority from or notification to the commissioner is required by this act and the person has not received authority or given notification.
 - (d) A person authorized to engage in the business of insurance under this act is engaged in conduct that presents an immediate danger to public health, safety, or welfare. MCL 500.251(1).
2. Under Section 1201a(1) of the Code, it is a violation for a person to sell, solicit, or negotiate insurance in this state for any line of insurance without first obtaining a license or qualification for that line. MCL 500.1201a(1).
 - a. "Negotiate" means the act of conferring directly with or offering advice directly to a purchaser or prospective purchaser of a particular contract of insurance concerning any of the substantive benefits, terms, or conditions of the contract, provided that the person engaged in that act either sells insurance or obtains insurance from insurers for purchasers. MCL 500.1201(k).
 - b. "Sell" means to exchange a contract of insurance by any means, for money or its equivalent, on behalf of an insurance company. MCL 500.1201(l).

- c. "Solicit" means attempting to sell insurance or asking or urging a person to apply for a particular kind of insurance from a particular company. MCL 500.1201(m).
3. DIFS Staff received information about possible unlicensed activity by the Respondent. A review of DIFS' records revealed that Respondent is not licensed under the Code.
4. After an investigation, DIFS Staff concluded that Respondent has engaged in activities regulated by the Code, without the requisite license, and has violated the insurance laws of this state.
5. Raymond Richard (Respondent) maintains a Facebook profile under the name "Deangelo Richard." Respondent's full name is Raymond Deangelo Richard. A review of DIFS' records also revealed that nobody with the name "Deangelo Richard" is licensed as an insurance producer under the Code. Moreover, the photographs posted on the "Deangelo Richard" Facebook profile match the photograph on Respondent's driver's license.
6. Respondent posts advertisements for automobile insurance to various Facebook community groups using the "Deangelo Richard" profile.
7. On January 12, 2018, Respondent posted a video on Facebook that demonstrated his procedure for selling insurance policies. DIFS Staff has retained a copy of this video which depicts the following:
 - a. The video begins with Respondent waiting to use a computer at Hallstarz Business Center (Hallstarz) located at 17301 Livernois Ave, Detroit, MI 48221. Respondent posted this video through the Facebook Live streaming function of Facebook.
 - b. Respondent asks if anyone needs car insurance.
 - c. At 2:10 in the video, Respondent is given access to a computer at Hallstarz and states, "show you how I do this sh█dog" along with "let me show you how to do this car insurance sh█"
 - d. At 4:00 in the video, Respondent accesses a website called "PDF Filler."
 - e. At 6:04 in the video, Respondent turns the camera to the computer screen. The screen displays what appears to be a Progressive certificate of no-fault insurance and names Raymond Richard as the insured. Respondent states "I gotta do my insurance and get a plate."
 - f. At 6:20 in the video, Respondent prints the certificate of no-fault insurance that he created through PDF Filler.
 - g. At 9:00 in the video, Respondent leaves Hallstarz and states, "I usually charge \$125, \$220 for the whole year." He later states that he is going to Hamtramck Secretary of State office.
 - h. At 31:15 in the video, Respondent arrives at the Secretary of State located at 9001 Joseph Campau Ave, Hamtramck, MI 48212.
 - i. At 36:30 in the video, Respondent requests a "30-day sticker" for a 2005 Chevrolet.
 - j. The video ends before the transaction at the Secretary of State is complete.
8. From September 2018 through November 2018, Respondent posted several solicitations for auto insurance from the "Deangelo Richard" Facebook profile. The wording used in his solicitations included:
 - a. "Get at me legit sh█fym NoScam sh█. This text accompanied a photograph depicting certificates of insurance that bear the Farm Bureau logo.

- b. "Who need legit car insurance thru LA under Liberty mutual or farm bureau"
 - c. "Still here who need insurance HMU". This text accompanied a photograph taken from inside a vehicle that was parked outside of an LA Insurance Agency adjacent to a Secretary of State office.
 - d. "Who need legit car insurance hmu". This text accompanied a photograph taken from inside a vehicle that was parked outside of an LA Insurance Agency.
 - e. "Who need legit car insurance HMU inbox me". This text accompanied a selfie photograph of Respondent taken outside of a Secretary of State office.
 - f. "I'm here". This text accompanied a photograph taken from inside a vehicle that was parked outside of an LA Insurance Agency adjacent to a Secretary of State office.
9. In his solicitations, Respondent advertised his location on Facebook as doing business in front of the Secretary of State office located at 9001 Joseph Campau Ave, Hamtramck, MI 48212, and the adjacent LA Insurance Agency located at 9005 Joseph Campau Ave, Hamtramck, MI 48212.
10. On or about January 8, 2019, Respondent submitted a Liberty Mutual certificate of no-fault insurance as proof of insurance to register his vehicle with the Michigan Department of State (MDOS). The certificate of no-fault insurance listed the following information:
- a. Insurer: Liberty Mutual General Insurance Company
 - b. Policy Number: AOS-248-435129-40-02
 - c. Insured: Raymond Richard
 - d. Vehicle: 1994 Mercury Cougar
 - e. Effective Date: October 8, 2018
 - f. Expiration Date: October 8, 2019
 - g. Customer Service: 586-██████████
 - h. NAIC: 23074
11. The NAIC number that is listed for Liberty Mutual General Insurance Company on the certificate submitted by Respondent is not the correct NAIC number for Liberty Mutual General Insurance Company.
12. The certificate of insurance submitted by Respondent bears similar characteristics to other fraudulent certificates submitted to MDOS, namely that they have the same incorrect NAIC number and same phone number that is listed on Respondent's certificate of no-fault insurance. Neither Respondent's certificate nor any of the other certificates containing this information are for valid insurance policies through Liberty Mutual General Insurance Company.
13. By soliciting insurance, Respondent, as an unlicensed producer, violated Section 1201a(1) of the Code, MCL 500.1201a(1).
14. By attempting to divert funds from the public in exchange for fraudulent insurance policies, Respondent violated Section 4503(g)(i) of the Code, MCL 500.4503(g)(i).
15. Based on the aforementioned findings, Respondent is acting as an insurance producer, solicitor, adjuster, or counselor without a license as required by the Code.

16. Based on the aforementioned findings, Respondent is engaged in an act or practice in the business of insurance for which authority from or notification to the Director is required by the Code, and the Respondent has not received authority nor given notification.
17. Respondent is subject to sanctions under Sections 150, 1239(1)(b) and 1244 of the Code, MCL 500.150, 500.1239(1)(b), and 500.1244. Furthermore, if the above facts are found to be true, Respondent's violation of Section 4503(g)(i) of the Code may also be considered a felony under Section 4511 of the Code, MCL 500.4511.