

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

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

In the matter of:

**International Excess Alliance, LLC**  
System ID No. 0094024

**Enforcement Case No. 19-15607**

**International Excess Program Managers Agency, Inc.**  
System ID No. 0092182

**Marcus M. Pender**  
System ID No. 0405762

**Kenneth E. Kukral**  
System ID No. 0178705

Respondents.

\_\_\_\_\_/

**Issued and entered  
on August 17, 2020  
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. Respondents violated Section 1905(3)(d) of the Code, MCL 500.1905(3)(d) by failing to timely and properly report certain surplus lines insurance policies sold and failing to timely pay the required taxes and fees for such insurance policies.

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

6. Respondents shall immediately cease and desist from operating in a manner that violates the Code.
7. Respondents shall immediately use the Insurance Licensing Online Services to change the agent, affiliated, and/or Designated Responsible Licensed Producer status for Anthony E. DeMarco, System ID No. 0477310.
8. Respondents shall immediately develop and implement policies and procedures to ensure all surplus lines insurance policies are timely and properly reported and the required taxes and fees are properly and timely paid.
9. Respondents shall pay to the State of Michigan, through DIFS, a civil fine in the total amount of \$10,000.00. The fine shall be paid by the DIFS invoice due date.
10. 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 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  
DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES**

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

In the matter of:

**International Excess Alliance, LLC**  
System ID No. 0094024

**Enforcement Case No. 19-15607**

**International Excess Program Managers Agency, Inc.**  
System ID No. 0092182

**Marcus M. Pender**  
System ID No. 0405762

**Kenneth E. Kukral**  
System ID No. 0178705

Respondents.

/

**STIPULATION TO ENTRY OF ORDER**

1. Respondents International Excess Alliance, LLC, (Excess Alliance), International Excess Program Managers Agency, Inc., (Program Managers), Marcus M. Pender, (Pender), and Kenneth E. Kukral, (Kukral), hereafter collectively referred to as Respondents, stipulate to the following:
2. On or about June 12, 2019, the Department of Insurance and Financial Services (DIFS) served Respondents with a Notice of Opportunity to Show Compliance (NOSC) alleging that Respondents violated provisions of the Insurance Code of 1956 (Code), MCL 500.100 *et seq.*
3. Specifically, the NOSC contained allegations that Respondents violated Section 1905(3)(d) of the Code, MCL 500.1905(3)(d), by failing to timely and properly report certain surplus lines insurance policies sold and failing to timely pay the required taxes and fees for such insurance policies.
4. Prior to and since receiving the NOSC, Respondents (directly or through their representatives) have engaged in ongoing oral and written discussions and communications with DIFS regarding the allegations contained in the NOSC, and while Respondents do not agree with all of the allegations contained in the NOSC, Respondents nevertheless believe that for various reasons it is in their best interest to settle and resolve this matter on behalf of themselves and their related parties and representatives once and for all as set forth herein.
5. All parties have complied with the procedural requirements of the APA and the Code.
6. Respondents agree that they will cease and desist from operating in a manner that violates the Code.

7. Respondents shall immediately use the Insurance Licensing Online Services to change the agent, affiliated, and/or Designated Responsible Licensed Producer status for Anthony E. DeMarco, System ID No. 0477310.
8. Without such being deemed an admission of liability of any sort, Respondents agree to immediately develop and implement policies and procedures to ensure all surplus lines insurance policies are timely and properly reported and the required taxes and fees are properly and timely paid.
9. Without such being deemed an admission of liability of any sort, Respondents agree that they will pay to the State of Michigan, through DIFS, a civil fine in the total amount of \$10,000.00. Respondents further agree to pay the fine by the invoice due date.
10. 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.
11. Respondents understand and agree that this Stipulation to Entry of Order will be presented to the Senior Deputy Director for approval.
12. Respondents understand and agree that the Senior Deputy Director may, in his 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, Respondents waive the right to a hearing in this matter and consent to the entry of the Order Accepting Stipulation. If the Senior 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 a decision after such hearing.

  
\_\_\_\_\_  
Authorized Representative of International  
Excess Alliance, LLC  
System ID No. 0094024

08/14/2020  
\_\_\_\_\_  
Date

  
\_\_\_\_\_  
Authorized Representative of International  
Excess Program Managers Agency, Inc.  
System ID No. 0092182

08/14/2020  
\_\_\_\_\_  
Date

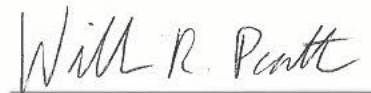
  
\_\_\_\_\_  
Marcus M. Pender  
System ID No. 0405762

08/14/2020  
\_\_\_\_\_  
Date

  
\_\_\_\_\_  
Kenneth E. Kukral  
System ID No. 0178705

8-13-20  
\_\_\_\_\_  
Date

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

  
\_\_\_\_\_  
William R. Peattie (P48004)  
DIFS Staff Attorney

August 14, 2020  
\_\_\_\_\_  
Date