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STATE OF MICHIGAN  
DEPARTMENT OF ENERGY, LABOR & ECONOMIC GROWTH  
OFFICE OF FINANCIAL AND INSURANCE REGULATION

Before the Commissioner of the Office of Financial and Insurance Regulation

In the matter of:

Yehuda Yosef Adler  
System ID No. 0427149

Enforcement Case No. 10-7739

Respondent

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Issued and entered  
on 6/30/ 2010  
by Stephen R. Hilker  
Chief Deputy Commissioner

CONSENT ORDER AND STIPULATION

A. FINDING OF FACTS AND CONCLUSIONS OF LAW

It is alleged that the following statements are true and correct:

1. On or about November 9, 2009, the Office of Financial and Insurance Regulation ("OFIR,") received a complaint alleging that Respondent Yehuda Yosef Adler ("Respondent") failed to remit money from the death benefit of a life insurance policy by forging the Complainant's signature on checks from an account set up to distribute the death benefit.
2. Respondent is a licensed resident producer with qualifications in life, variable annuities, and accident and health.
3. On or about March 1, 2008, Respondent sold a life insurance policy through Bankers Life and Casualty Company ("Bankers") to a policyholder "EG" with a death benefit of \$25,000 naming Complainant, EG's daughter, as the beneficiary.
4. On June 8, 2009, EG died, and on June 23, 2009, Complainant filed a claim with Bankers for the death benefit on EG's insurance policy.
5. Before EG's death, Respondent entered into an agreement with a third party "MJ." Per Respondent, MJ would pay the premiums on the policy and receive 90% of the death benefit and the Complainant would get 10% of the death benefit.

6. Respondent never spoke to policyholder EG about this alleged agreement nor did policyholder EG agree to the alleged agreement or any modification to the ownership or beneficiaries to her life insurance policy.
7. The death benefit on EG's policy was paid by Bankers. To pay the benefit Bankers set up an account and issued a Benefit Now checkbook from which the beneficiary (Complainant) could write checks. The checkbook was mailed to Respondent.
8. Respondent alleges that Complainant endorsed four checks which Respondent deposited into his own bank account(s) and later paid to MJ.
9. Complainant submitted an affidavit to Bankers stating that she did not sign nor endorse four of the five checks issued from the Benefit Now checkbook.
10. Bankers had a handwriting analysis conducted on the Benefit Now checks Complainant alleges she did not sign. The results of the handwriting analysis were that the signatures on the checks were not consistent with the Complainant's signature samples provided to Bankers.
11. Respondent asserts Complainant knew of the alleged arrangement and approved it in some way. Even if Complainant knew of and approved the alleged arrangement, she did not have the authority to do so for her mother, EG. EG was the owner of the policy, and even after Respondent entered into this agreement there was no change of ownership of the policy or any change of beneficiary on the policy.
12. Bankers sent the Respondent the checkbook representing the death benefit of EG's insurance policy. Respondent failed to turn over this money he held in a fiduciary capacity to the beneficiary on the policy.
13. As a licensee, Respondent knew or had reason to know that Section 1207(1) of the Michigan Insurance Code, (hereafter "Code") requires: "An agent to be a fiduciary for all money received or held by the agent in his or her capacity as an agent. Failure by an agent in a timely manner to turn over the money which he or she holds in a fiduciary capacity to the persons to whom they are owed is prima facie evidence of violation of the agent's fiduciary responsibility."
14. As a licensee, Respondent further knew or had reason to know that Section 1239(1)(d) of the Code allows the Commissioner to place on probation, suspend, revoke, or levy a civil fine under Section 1244 or any combination thereof, for "Improperly withholding, misappropriating, or converting any money or property received in the course of doing insurance business."
15. As a licensee, Respondent further knew or had reason to know that Section 1239(1)(h) of the Code allows the Commissioner to place on probation, suspend, revoke, or levy a civil fine under Section 1244 or any combination thereof, for "Using fraudulent, coercive, or

dishonest practices or demonstrating incompetence, untrustworthiness, or financial irresponsibility in the conduct of business in this state or elsewhere.”

16. Based upon the actions listed above, Respondent has violated Section 1207(1), 1239(1)(d), and 1239(1)(h) of the Code and is subject to the Commissioner ordering payment of a civil fine, refund of any overcharges, restitution be made to insureds to cover losses, damages or other harm attributed to Respondent’s violation of the Code, and/or licensing sanctions under Section 1244(1) of the Code for the Respondent violating Section 1207(1), 1239(1)(d), and 1239(1)(h) of the Code.

**B. ORDER**

Based upon the findings of fact and conclusions of law above, and Respondent’s stipulation to said facts, it is hereby ORDERED that:

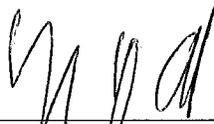
1. Respondent Yehuda Yosef Adler shall immediately cease and desist from operating in a manner that violates Section 1207(1), 1239(1)(d), and 1239(1)(h) of the Code, MCL 500.1207(1), 500.1239(1)(d), and 500.1239(1)(h).
2. Respondent Yehuda Yosef Adler’s insurance producer license and authority are hereby **REVOKED**.
3. Respondent Yehuda Yosef Adler shall pay to the State of Michigan, a civil fine of Five Hundred Dollars (\$500.00.) Upon issuance and entry of this Order, OFIR will send an Invoice to Respondent Yehuda Yosef Adler, and Respondent Yehuda Yosef Adler shall pay the fine by the due date printed on the Invoice.

OFFICE OF FINANCIAL AND  
INSURANCE REGULATION

By:   
Stephen R. Hilker  
Chief Deputy Commissioner

**C. STIPULATION**

I have read and understand the Consent Order above. I agree that the Commissioner has jurisdiction and authority to issue this Consent Order pursuant to the Insurance Code. I waive the right to a hearing in this matter if this Consent Order is issued. I understand that this Stipulation and Consent Order will be presented to the Commissioner for approval and the Commissioner may or may not issue this Consent Order. I waive any objection to the Commissioner deciding this case following a hearing in the event the Consent Order is not approved. I neither admit nor deny the facts set forth in the above Consent Order, but agree to the entry of this Order.



\_\_\_\_\_  
Yehuda Yosef Adler  
System ID No. 0427149

Dated: 6/24/10

OFIR staff approves this stipulation and recommends that the Commissioner issue the above Consent Order.



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William R. Peattie

Dated: 6/30/10