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

Before the Commissioner of the Office of Financial and Insurance Regulation

In the matter of:

Isaac Allan Chandler
System ID No. 0463705

Enforcement Case No. 08-5812

Respondent
_____/

Issued and entered
On August 18, 2008
by Catherine J. Kirby
Acting Chief Deputy Commissioner

ORDER TO CEASE AND DESIST

The Office of Financial and Insurance Regulation of the Michigan Department of Labor & Economic Growth, pursuant to the Administrative Procedures Act of 1969, 1969 PA 306, as amended; MCL 24.201 *et seq*; the Michigan Insurance Code, 1956 PA 218, as amended; MCL 500.100 *et seq.*, and the rules promulgated under the Michigan Insurance Code, says that:

I
BACKGROUND

1. At all pertinent times, Isaac Allan Chandler ("Chandler") was an individual located at: 4275 Chasseral Drive NW, Comstock Park, Michigan 49321.

2. At all pertinent times, Chandler was advertising "$40 Car Insurance Papers Call anytime 24/7, 616-551-9377" "$40 Car Insurance Papers, Call Clarence 24/7 Day or night and weekends, (616) 551-7425" and "Don't want to drive to Grand Rapids? Insurance papers are also available by mail. Send $40 cash or blank money order along with Name, address, VIN number to: 3547 Alpine Ave., P.O. Box 131, Grand Rapids, Michigan 49544. Papers will arrive in about 2-3 days." Chandler also used the name Clarence.

3. At all pertinent times, Chandler was not licensed by the Office of Financial and Insurance Regulation ("OFIR") as an insurance producer in the State of Michigan.

4. Chandler issued as many as five hundred (500) certificates of automobile insurance to Michigan residents.

5. Chandler sold Michigan residents automobile insurance for $40.00 and then issued fraudulent insurance certificates under the company names of Citizen Insurance, Meridian Insurance, and Nationwide Mutual Insurance from his home computer.

6. Chandler has been arrested and has pled guilty to six felonies for selling counterfeit insurance certificates and using a computer to commit a crime. Chandler is awaiting sentencing.

II
CONCLUSIONS OF LAW

WHEREAS, Section 251 of the Michigan Insurance Code, ("Code") MCL 500.251 states that in the reasonable exercise of discretion, the Commissioner may issue a cease and desist order if the Commissioner 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; and

WHEREAS, the Commissioner finds that under Section 1201a of the Code, a person shall not sell, solicit, or negotiate insurance in Michigan for any line of insurance unless the person is licensed for that qualification; and

WHEREAS, the Commissioner finds that under 1208a of the Code, a person shall not act as an agent of an insurer unless the producer becomes an appointed agent of that insurer; and

WHEREAS, the Commissioner finds that Chandler sold, solicited and negotiated insurance in the State of Michigan without an insurance license and acted as an agent of an insurer without an appointment of that insurer; and

WHEREAS, based on the foregoing, the Commissioner finds that Respondent Chandler is engaged in acts and practices that violate the Code; and

WHEREAS, the Commissioner finds this action necessary and appropriate in the public interest for the protection of the public and consistent with the purposes fairly intended by the policy and provisions of the Code.

IT IS THEREFORE ORDERED, pursuant to Section 251 of the Code, that Respondent Chandler shall immediately **CEASE AND DESIST** from violating Section 1201a and 1208a of the Code by selling, soliciting, or negotiating insurance without a valid appointment in the State of Michigan.

A person who violates or otherwise fails to comply with a cease and desist order is subject to a civil fine of not more than $1,000.00 for each violation not to exceed an aggregate civil fine of $30,000.00. However, if the person knew or reasonably should have known the person was in violation of the order, payment of a civil fine of not more than $25,000.00 for each violation not to exceed an aggregate civil fine of $250,000.00. The Commissioner may also recover reasonable attorney fees if judicial action is necessary for enforcement of a cease and desist order under this section.

A person who is the subject of a cease and desist order may contest the order by requesting a hearing before the Commissioner not later than 30 days after the order is delivered or mailed to the person. Within 10 days after receiving the request, the Commissioner shall commence a hearing in accordance with the administrative procedures act of 1969, Act No. 306 of the Public Acts of 1969. Pending the hearing, the cease and desist order continues in full force and effect unless the order is stayed by the Commissioner. Any request for a hearing should be addressed to: the Office of Financial and Insurance Regulation, Attention: Hearings Coordinator Dawn Kobus, P.O. Box 30220, Lansing, Michigan 48909.

OFFICE OF FINANCIAL AND
INSURANCE REGULATION

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