

STATE OF MICHIGAN
DEPARTMENT OF ENERGY, LABOR AND ECONOMIC GROWTH
OFFICE OF FINANCIAL AND INSURANCE REGULATION
Before the Commissioner of Financial and Insurance Regulation

**Office of Financial and Insurance Regulation,
Petitioner**

v

**Giles Gibson
Respondent**

Enforcement Case No. 10-9747

For the Petitioner:

**William Peattie
Office of Financial and Insurance Regulation
P.O. Box 30220
Lansing, MI 48909-7720**

For the Respondent:

Giles Gibson

**Issued and entered
this 17 day of February 2011
by Ken Ross
Commissioner**

FINAL DECISION

I. Background

Respondent Giles Gibson is a licensed nonresident insurance producer authorized to transact the business of insurance in Michigan. In April 2010, the Office of Financial and Insurance Regulation (OFIR) received a complaint from Bankers Life and Casualty Company alleging Respondent falsified bank account information on an insurance policy application. OFIR investigated the complaint and initiated a compliance action.

On November 5, 2010, Chief Deputy Commissioner Stephen Hilker issued an Administrative Complaint and Order for Hearing in this case which was sent to Respondent at the address above. The Administrative Complaint set forth detailed allegations that Respondent had violated several provisions of the Michigan Insurance Code, including Code sections 1239(1)(h) and 2018, MCL 500.1239(1)(h) and 500.2018.

The Order for Hearing required Respondent to take one of the following actions within 21 days: agree to a resolution of the case, file an answer to the allegations stated in the Order with a statement that Respondent plans to attend the hearing, or request an adjournment. Respondent failed to take any of these actions.

On December 6, 2010, the Petitioner filed a Motion for Final Decision. Given Respondent's failure to take one of the required actions, Petitioner's motion is granted. The factual allegations stated in the Administrative Complaint, being unchallenged, are accepted as true and are stated below.

II. Findings of Fact and Conclusions of Law

1. In October 2009, during a sales presentation, Respondent falsified a client's bank account information on an insurance policy application. Respondent entered his own bank account information on the application because his client was not able to pay the required premium from her own account. The client did not authorize this action. Respondent would have received a commission had the sale been completed.
2. Section 1239(1)(h) of the Insurance Code, prohibits a licensee from using dishonest or untrustworthy practices and authorizes the Commissioner to revoke an insurance producer's license for such conduct.
3. Section 2018 of the Insurance Code prohibits a licensee from making false or fraudulent statements or representations on or relative to an application for an insurance policy for the purpose of obtaining a fee, commission, money, or other benefit from an insurer, agent, broker, or individual. Section 2038 of the Insurance Code requires the Commissioner to order a licensee to cease and desist from the practices which violate

section 2018 and also authorizes the Commissioner to revoke an insurance producer's license for such conduct.

4. Respondent's conduct described in paragraph #1, above, violates these Insurance Code provisions and warrants the revocation of Respondent's insurance producer license.

III. Order

Based on the conduct described above, and in accordance with the above-cited provisions of the Michigan Insurance Code

1. Respondent shall cease and desist from the practices described above, and
2. Respondent's insurance producer license is revoked.



Ken Ross
Commissioner