

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

Before the Commissioner of Financial and Insurance Regulation

In the matter of:

Office of Financial and Insurance Regulation

Enforcement Case No. 09-7128
Agency No. 09-091-L

Petitioner

v

Dawn M. Pasquali
System ID No. 0336982

and

Title Express Agency, LLC
System ID No. 0067248

Respondents

CONSENT ORDER AND STIPULATION

Issued and entered,
on 19th of March, 2010,
by Stephen R. Hilker
Chief Deputy Commissioner

I.

FINDINGS OF FACT AND CONCLUSIONS OF LAW

1. At all times pertinent to the matter herein, Dawn M. Pasquali was a licensed resident insurance producer authorized to transact the business of insurance in this state.
2. At all times pertinent to the matter herein, Title Express Agency, LLC was a licensed insurance agency authorized to transact the business of insurance in the State of Michigan.

3. At all times pertinent to the matter herein, Dawn M. Pasquali was the owner of Title Express Agency, LLC. Dawn M. Pasquali and Title Express Agency, LLC are referred to herein as "Respondents."
4. Respondents knew or had reason to know that Section 1239(1) of the Insurance Code (Code), MCL 500.1239(1), states, in pertinent part, "the commissioner may place on probation, suspend, or revoke an insurance producer's license or may levy a civil fine under section 1244 or any combination of actions ... for any 1 or more of the following causes:
 - (d) Improperly withholding, misappropriating, or converting any money or property received in the course of doing insurance business.

 - (h) Using fraudulent, coercive, or dishonest practices or demonstrating incompetence, untrustworthiness, or financial irresponsibility in the conduct of business in this state or elsewhere."

5. Respondents knew or had reason to know that Section 1207(1) of the Code, MCL 500.1207(1), provides in pertinent part, "An agent shall 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."
6. Respondents have violated Sections 1239(1) and 1207(1) of the Code, as described below:

STATEMENT OF FACTUAL ALLEGATIONS

COUNT I

7. On or about June 28, 2008, the Office of Financial and Insurance Regulation (OFIR) received a complaint from [REDACTED] indicating that pursuant to MCL 500.1208b, it terminated Respondent Title Express Agency, LLC's appointment for reasons listed under MCL 500.1239.
8. According to the complaint filed by [REDACTED] Respondents, acting as settlement agents, failed to pay the mortgages for the following mortgagees despite receiving disbursements from the lenders of the mortgagees to satisfy the mortgage payments:

<u>Mortgagee</u>	<u>Amount</u>	<u>Date of Settlement</u>
U. G.	\$152,000.00	7/11/2008
E. W.	\$ 42,203.78	7/23/2008
R. & B. C.	\$125,064.73	8/19/2008

9. By engaging in the foregoing conduct, Respondents violated Sections 1239(1) and 1207(1) of the Code.

COUNT II

10. In response to a request for information, [REDACTED] provided OFIR with information which indicated that Respondents, acting as settlement agents, failed to pay the mortgages for the following mortgagees despite receiving disbursements from lenders of the mortgagees to satisfy the mortgage payments:

<u>Mortgagee</u>	<u>Amount</u>
F.	\$ 50,826.80
W.	\$120,092.15

11. By engaging in the foregoing conduct, Respondents violated Sections 1239(1) and 1207(1) of the Code.

II. ORDER

Based upon the Findings of Fact and Conclusions of Law above and Respondents' stipulation, the Commissioner ORDERS that:

1. Respondents shall CEASE and DESIST from violating MCL 500.1239(1) and MCL 500.1207(1).
2. Respondents' resident producer licenses issued pursuant to the provisions of the Michigan Insurance Code are hereby REVOKED.
3. Forthwith, Respondents shall CEASE and DESIST from engaging in any activity requiring licensure under the Michigan Insurance Code, and deliver to the Chief Deputy Commissioner their original resident producer license certificates within five days of the date of entry of this Order.

IT IS SO ORDERED

Dated: 3/19/10


Stephen R. Hilker,
Chief Deputy Commissioner

**III.
STIPULATION**

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

Title Express Agency, LLC

Dated: 3-11-10



By:

Its:

Dated: 3-11-10



Dawn M. Pasquali

The Office of Financial and Insurance Regulation staff approves this stipulation and recommends that the Chief Deputy Commissioner issue the above Consent Order.

Dated: 3/18/2010



Marlon F. Roberts
Staff Attorney