

**STATE OF MICHIGAN  
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS  
OFFICE OF FINANCIAL AND INSURANCE REGULATION**

**Before the Commissioner of the Office of Financial and Insurance Regulation**

In the matter of:

**G.I.A.F, Inc.**  
d/b/a **GIAF Escrow Services**  
d/b/a **DBBA Home Mortgage**  
d/b/a **GIAF Mortgage**  
**Charles Brian Lovejoy, Vice President**  
**James Stewart, Director**  
**The Kaizer Group, LLC,**

**Enforcement Case No. 12-11526**

Respondents.

\_\_\_\_\_/

Issued and entered  
this 10<sup>th</sup> day of September 2012  
by Annette E. Flood  
Chief Deputy Commissioner

**FINAL ORDER TO CEASE AND DESIST**

1. Whereas, the Commissioner of the Office of Financial and Insurance Regulation, pursuant to the authority granted under the Michigan Insurance Code (Code), MCL 500.100 *et seq.*, initiated an investigation of G.I.A.F, Inc., Charles Brian Lovejoy, James Stewart and The Kaizer Group, LLC; and
2. Whereas, on the basis of that investigation, the Chief Deputy Commissioner concluded that Respondents violated the Code by engaging in violations of MCL 500.1201a(1), MCL 500.7317, and MCL 500.7304; and
3. Whereas, on May 10, 2012, the Chief Deputy Commissioner issued an Order to Cease and Desist (Order) pursuant to Section 251 of the Code, MCL 500.251. Said Order, incorporated herein by reference, advised G.I.A.F, Inc., Charles Brian Lovejoy, James Stewart and The Kaizer Group, LLC (Respondents) that they may contest the Order by requesting a hearing within 30 days after the Order is mailed; and
4. Whereas, on May 15, 2012 and June 8, 2012, the Order was mailed to Respondents via certified mail to Respondents' last known addresses; and
5. Whereas, Respondents failed to request a hearing on the Order as provided in Section 251 of the Code, MCL 500.251; and

6. Whereas, \_\_\_\_\_ was named as a Respondent in the Order, however OFIR has determined that Ms. \_\_\_\_\_ was not involved in the violations cited in the Order, therefore, Ms. \_\_\_\_\_ is not a part of this Final Order to Cease and Desist;

NOW, THEREFORE, the Chief Deputy Commissioner FINDS and ORDERS:

### **I. FINDINGS OF FACT AND CONCLUSIONS OF LAW**

1. Respondent G.I.A.F., Inc. is an entity incorporated in the state of Michigan with its principal place of business located at 20700 Civic Center Drive, Suite 170, Southfield, Michigan 48076.
2. Respondent Charles Brian Lovejoy is the Secretary and Vice President of G.I.A.F., Inc. and the incorporator of G.I.A.F., Inc.
3. Respondent G.I.A.F., Inc. transacts business in the state of Michigan under the assumed names of GIAF Escrow Services, DBBA Home Mortgage, and GIAF Mortgage.
4. Respondent James Stewart is the Director of G.I.A.F., Inc.
5. Respondent The Kaizer Group, LLC is a limited liability company organized in the state of Michigan and is located at 20700 Civic Center Drive, Suite 170, Southfield, Michigan 48076.
6. Respondent Charles Brian Lovejoy is the organizer and managing member of The Kaizer Group, LLC.
7. Respondent G.I.A.F., Inc., and G.I.A.F., Inc. under its assumed name of GIAF Escrow Services, DBBA Home Mortgage and/or GIAF Mortgage, has never held a certificate of authority in the state of Michigan to issue title insurance; make, execute and perfect such contracts, agreements, policies and other instruments as may be required for title insurance; issue commitments for title insurance policies specifying the requirements of such policies; or to act as an escrow agent in any transaction involving the issuance of title insurance policy.
8. Respondent The Kaizer Group, LLC has never held a certificate of authority in the state of Michigan to issue title insurance; make, execute and perfect such contracts, agreements, policies and other instruments as may be required for title insurance; issue commitments for title insurance policies specifying the requirements of such policies; or to act as an escrow agent in any transaction involving the issuance of title insurance policy.
9. Respondent G.I.A.F., Inc., and G.I.A.F., Inc. under its assumed name of GIAF Escrow Services, DBBA Home Mortgage and/or GIAF Mortgage, is not and has never been licensed by the state of Michigan to sell, solicit, or negotiate insurance or to act as an agent or solicitor for a title insurer.

10. Respondent Charles Brian Lovejoy is not and has never been licensed by the state of Michigan to sell, solicit, or negotiate insurance or to act as an agent or solicitor for a title insurer.
11. Respondent James Stewart is not and has never been licensed by the state of Michigan to sell, solicit, or negotiate insurance or to act as an agent or solicitor for a title insurer.
12. Respondent The Kaizer Group, LLC is not and has never been licensed by the state of Michigan to sell, solicit, or negotiate insurance or to act as an agent or solicitor for a title insurer.
13. On October 26, 2010, the Office of Financial and Insurance Regulation (OFIR) received information from \_\_\_\_\_ Title Group indicating that it received an inquiry from a closing agent concerning Respondent Charles Brian Lovejoy and a Commitment for Title Insurance he provided to a Michigan resident (Complainant).
14. Complainant's property, located in Sterling Heights, Michigan, was sold during a sheriff's sale in October 2010. Complainant was subsequently approached by Respondent Charles Brian Lovejoy. Respondent Charles Brian Lovejoy, acting on behalf of the The Kaizer Group, LLC and GIAF Escrow Services, advised Complainant that he could purchase the house for half of what it was sold for at the sheriff's sale and he could continue to live in the house. As part of the transaction to allow Complainant to continue to occupy the home, Respondent Charles Brian Lovejoy provided Complainant with a Commitment for Title Insurance from GIAF Escrow Services.
15. On or about October 26, 2010, GIAF Escrow Services prepared a Commitment for Title Insurance for Complainant. In the Commitment for Title Insurance, GIAF Escrow Services committed to issue a policy of title insurance in the amount of \$75,000, in favor of the proposed insured, Complainant, for property located in the City of Sterling Heights, County of Macomb, state of Michigan, if all the requirements set forth in Schedule B of the Commitment for Title Insurance were satisfied. According to the Commitment for Title Insurance, Respondent The Kaizer Group, LLC held a Fee Simple Interest in the property.
16. Section 1201a(1) of the Insurance Code (Code), MCL 500.1201a(1), states, "A person shall not sell, solicit, or negotiate insurance in this state for any line of insurance unless the person is licensed for that qualification in accordance with this chapter."
17. Section 7317 of the Code, MCL 500.7317, states, "Persons acting as agents or solicitors for a title insurer shall be licensed in such capacities and subject to the applicable provisions of Chapter 12."
18. Section 7304 of the Code, MCL 500.7304, states, in part, "Every title insurer authorized to do business pursuant to this code may issue title insurance; make, execute and perfect such contracts, agreements, policies and other instruments as may be required therefor; examine titles to real estate in connection with any transaction in which a policy of title insurance or commitment therefor is being issued and report thereon; issue commitments

for title insurance policies specifying the requirements for the issuance of such policies; act as escrow agent in any transaction involving the issuance of a title insurance policy.”

19. Pursuant to MCL 500.106, an insurer is any individual, corporation, association, partnership, reciprocal exchange, inter-insurer, Lloyds organization, fraternal benefit society, and any other legal entity, engaged or attempting to engage in the business of making insurance or surety contracts.
20. Respondents acted as an insurer and/or insurance producers by engaging or attempting to issue title insurance to Complainant for property located in Sterling Heights, Michigan.
21. Pursuant to MCL 500.108, an authorized insurer is an insurer duly authorized, by a subsisting certificate of authority issued by the Commissioner, to transact insurance in this state. According to OFIR’s records, the Commissioner has never issued Respondents a certificate of authority to transact insurance in this state.
22. Pursuant to MCL 500.503(q), a producer means a person required to be licensed under the Code to sell, solicit, or negotiate insurance. Respondents acted as producers when they solicited and entered into negotiations with Complainant to issue a title insurance policy for property located in Sterling Heights, Michigan, without the requisite license to engage in the business of insurance.
23. Based on the Respondents’ conduct as described above, Respondents are in violation of MCL 500.1201a(1), MCL 500.7317, and MCL 500.7304 for engaging in business as a title insurer, escrow agent, insurance producer, or a solicitor of insurance by performing the functions of an escrow agent, insurance producer, solicitor or insurer concerning a transaction involving title insurance without first obtaining the applicable license(s) or certificate(s) of authority.

## II. ORDER

1. Respondents shall cease and desist from soliciting, negotiating and/or selling insurance in this state for any line of insurance unless they are licensed for that qualification pursuant to Chapter 12 of the Code.
2. Respondents shall cease and desist from acting as agents or solicitors for a title insurer unless licensed to do so under Chapter 12 of the Code.
3. Respondents shall cease and desist from issuing title insurance and/or commitments for title insurance policies, and/or specifying the requirements of such policies, prior to obtaining the requisite license under the Code to engage in such activities.

By: \_\_\_\_\_

Annette E. Flood

Chief Deputy Commissioner

Office of Financial and Insurance Regulation