

STATE OF MICHIGAN
DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES

Before the Director of the Department of Insurance and Financial Services

In the matter of:

Department of Insurance and Financial Services,

Enforcement Case No. 12-11623

Agency No. 12-046-L

Petitioner,

v

Michael P. Ippolito
System ID No. 050621

The Benefit Partnership, Inc.,
System ID No. 0090123

Respondents.

_____ /

Issued and entered
on May 10th, 2013
by Randall S. Gregg
Deputy Director

FINAL DECISION

I. Background

Michael P. Ippolito and the Benefit Partnership, Inc. (Respondents) are licensed insurance producers. The Department of Insurance and Financial Services (DIFS) received information that Respondent Ippolito's insurance producer licenses have been revoked in nine states. After investigation and verification of the information, on October 25, 2013, DIFS issued a Notice of Opportunity to Show Compliance alleging that Respondents had provided justification for revocation of licensure and other sanctions pursuant to Sections 1239(1) and 1244(1)(a-c) of the Michigan Insurance Code (Code), MCL 500.1239(1) and 500.1244(1)(a-c). Respondents failed to reply to the Notice.

On January 9, 2013, DIFS issued an Administrative Complaint and Order for Hearing which was served upon Respondents. The Order for Hearing required Respondents to take one of the following actions within 21 days: (1) agree to a resolution of the case, (2) file a response to the allegations with a statement that Respondents planned to attend the hearing, or (3) request an adjournment. Respondents failed to take any of these actions.

On March 28, 2013, DIFS Staff filed a Motion for Final Decision. Respondents did not file a reply to the motion. Given Respondents' failure to respond, Petitioner's motion is granted. The Administrative Complaint, being unchallenged, is accepted as true. Based on the Administrative Complaint, the Director makes the following Findings of Fact and Conclusions of Law.

II. Findings of Fact and Conclusions of Law

1. Pursuant to Executive Order 2013-1, all authority, powers, duties, functions, and responsibilities of the Commissioner of the Office of Financial and Insurance Regulation (Commissioner) have been transferred to the Director of the Department of Insurance and Financial Services (Director).
2. At all relevant times, Respondents were licensed insurance producers.
3. Respondent Ippolito had his insurance producer license or its equivalent revoked in the following states:
 - Kansas – November 29, 2011
 - Idaho – February 7, 2012
 - Connecticut – March 22, 2012
 - South Dakota – April 27, 2012
 - California – July 11, 2012
 - Maine – August 28, 2012
 - Kentucky – July 19, 2012
 - South Carolina – August 9, 2012
 - Texas – August 16, 2012
4. Respondent Ippolito is the Designated Responsible Licensed Producer (DRLP) of Respondent The Benefit Partnership, Inc., and acted on behalf of Respondent The Benefit Partnership, Inc.
5. As licensed resident producers, Respondents knew or had reason to know that MCL 500.1239 provides, in part:
 - (1) In addition to any other powers under this act, 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, and the commissioner shall refuse to issue a license under section 1205 or 1206a, for any 1 or more of the following causes:

* * *

- (i) Having an insurance producer license or its equivalent denied, suspended, or revoked in any other state, province, district, or territory.

* * *

- (3) The license of a business entity may be suspended, revoked, or refused if the commissioner finds, after hearing, that an individual licensee's violation was known or should have been known by 1 or more of the partners, officers, or managers acting on behalf of the partnership or corporation and the violation was neither reported to the commissioner nor corrective action taken.
6. Respondent Ippolito, as DRLP of Respondent The Benefit Partnership, Inc., knew of the failure to report the Ippolito revocations, yet neither the revocations nor the failure to report were reported by Respondent The Benefit Partnership.
7. DIFS Staff has made reasonable efforts to serve Respondents and has complied with MCL 500.1238.
8. Respondents have received notice and have been given an opportunity to respond and appear and have not responded nor appeared.
9. Respondents are in default and the Petitioner is entitled to have all allegations accepted as true.

III. Order

Based upon the Respondents' conduct and the applicable law cited above, it is ordered that:

1. Respondents shall cease and desist from violating the Code.
2. Respondents shall immediately cease and desist from engaging in the business of insurance.
3. Respondents' insurance producer licenses are **REVOKED**.

R. Kevin Clinton, Director

For the Director: 


Randall S. Gregg, Deputy Director