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STATE OF MICHIGAN
DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES **DIFS/OGC**

Before the Director of the Department of Insurance and Financial Services

In the matter of:

Jeffrey A. Ashton
System ID No. 0033583

Enforcement Case No. 15-12457

Ashton Agency, Inc.
System ID No. 0009558

Plymouth Insurance Advisors Agency, LLC
dba **Jeff Ashton Agency, Inc.**
dba **Jeffrey A. Ashton**
System ID No. 0085619

Respondents

Issued and entered
on January 27, 2016
By **Teri L. Morante**
Chief Deputy Director

ORDER ACCEPTING STIPULATION

Based upon the Stipulation to Entry of Order and the files and records of the Department of Insurance and Financial Services (DIFS) in this matter, the Chief Deputy Director finds and concludes that:

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 (DIFS).
2. The Chief Deputy Director has jurisdiction and authority to adopt and issue this Order Accepting Stipulation in this proceeding pursuant to the Michigan Administrative Procedures Act of 1969 (APA), as amended, MCL 24.201 et seq., and the Michigan Insurance Code of 1956 (Code), MCL 500.100 et seq.
3. All required notices have been issued in this case, and the notices and service thereof were appropriate and lawful in all respects.
4. Acceptance of the Stipulation to Entry of Order is reasonable and in the public interest.

5. All applicable provisions of the APA have been met.
6. Respondents Ashton and Ashton Agency, Inc. have provided justification for sanctions pursuant to Section 1239(1)(d) of the Code, MCL 500.1239(1)(d) by misappropriating or converting money intended to purchase underground storage tank (UST) insurance received in the course of doing insurance business.
7. Respondent Ashton has provided justification for sanctions pursuant to Section 1239(1)(f) of the Code, MCL 500.1239(1)(f) by being convicted of violating 18 U.S. C. §4, a felony.
8. Respondents Ashton and Ashton Agency, Inc. have provided justification for sanctions pursuant to Section 1239(1)(h) of the Code, MCL 500.1239(1)(h) by using dishonest practices or demonstrating incompetence, untrustworthiness, or financial irresponsibility in the conduct of insurance business by failing to report to the proper authorities another insurance producer's crime of creating and selling falsified UST insurance certificates to gas station owners/operators throughout the state of Michigan and by taking affirmative steps to conceal the insurance producer's actions including taking possession of the falsified documents; delivering the false documents to a third party in exchange for a \$2,000.00 cash payment; retaining \$500.00 of that payment; and delivering the remaining \$1,500.00 to the insurance producer.
9. Respondent Ashton and Ashton Agency, Inc. have provided justification under Section 1239(3) of the Code, MCL 500.1239(3), for the Director to revoke the insurance producer license of Ashton Agency, Inc. due to evidence showing that Respondent Ashton knew or should have known of the violations of the Code occurring at Ashton Agency, Inc., but Respondent Ashton failed to report the violations of the Code to the Director or take corrective action.

Now therefore, based upon the Stipulation to Entry of Order and the facts surrounding this case, **IT IS ORDERED THAT:**

10. Respondents Ashton and Ashton Agency, Inc. shall immediately cease and desist from operating in such a manner as to provide justification for sanctions under Section 1239(1)(d), (f), and (h), of the Code, MCL 500.1239(1)(d), (f), and (h).
11. Respondent Ashton's insurance producer license and authority are hereby **REVOKED**.
12. Respondent Ashton Agency, Inc.'s insurance producer license and authority are hereby **REVOKED**.
13. Respondent Plymouth Insurance Advisors Agency, LLC shall **VOLUNTARILY SURRENDER** its insurance producer/agency license within 30 days of the issuance and entry of this Order Accepting Stipulation. Respondent shall submit a signed, dated letter to the DIFS Licensing Division and enclose the original license. If the Respondent no

longer has the license document, the Respondent shall state in writing that it no longer has the license document and will not attempt to operate as a licensee in Michigan. If Respondent Plymouth Insurance Advisors Agency, LLC fails to voluntarily surrender its license, as provided above, the license shall be **REVOKED**.

14. The Chief Deputy Director retains jurisdiction over the matters contained herein and has the authority to issue such further order(s) as shall be deemed just, necessary, and appropriate in accordance with the Code. Failure to abide by the terms and provisions of the Stipulation to Entry of Order and this Order may result in the commencement of additional proceedings.


Teri L. Morante
Chief Deputy Director

**STATE OF MICHIGAN
DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES**

Before the Director of the Department of Insurance and Financial Services

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Jeffrey A. Ashton
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Respondents.

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STIPULATION TO ENTRY OF ORDER

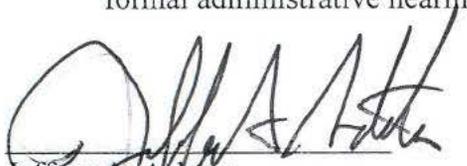
Jeffrey A. Ashton, Ashton Agency, Inc., and Plymouth Insurance Advisors Agency, LLC
(Respondents) stipulate to the following:

1. On or about April 24, 2015, the Department of Insurance and Financial Services (DIFS) served Respondents with a Notice of Opportunity to Show Compliance (NOSC) alleging that Respondents violated provisions of the Michigan Insurance Code of 1956 (Code), MCL 500.100 *et seq.*
2. At all relevant times, Respondent Ashton was a licensed insurance producer in the state of Michigan.
3. At all relevant times, Respondent Ashton Agency, Inc. was a licensed insurance producer/agency in the state of Michigan.
4. At all relevant times, Respondent Ashton was an agent and officer at Respondent Ashton Agency, Inc.
5. At all relevant times, Respondent Plymouth Insurance Advisors Agency, LLC, dba Jeff Ashton Agency, Inc. and dba Jeffrey A. Ashton was a licensed insurance producer/agency in the state of Michigan.
6. At all relevant times, Respondent Ashton was an insurance producer and the Designated Responsible Licensed Producer (DRLP) for Respondent Plymouth Insurance Advisors Agency, LLC.

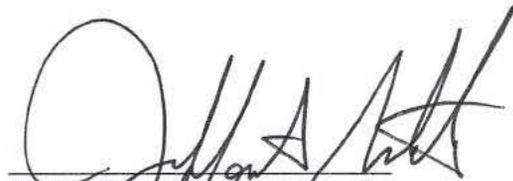
7. The NOSC contained allegations that Respondent Ashton entered into a Plea Agreement acknowledging that Respondent Ashton learned that another insurance producer had created false Underground Storage Tank (UST) insurance certificates entitled "Storage Tank Certificate of Insurance to Demonstrate Financial Responsibility" for three underground storage tanks located at a gasoline station in Detroit, Michigan and committed several physical acts that helped conceal the insurance producer's crime, including taking possession of the falsified document; delivering the false document to a third party in exchange for a \$2,000.00 cash payment; retaining \$500.00 of that payment; and delivering the remaining \$1,500.00 to the insurance producer.
8. Respondent Ashton knew that the insurance producer created the false UST insurance certificates with the intent to impede, obstruct, or influence the proper administration and regulation of USTs.
9. Respondent Ashton knew that falsifying and selling the fake UST insurance certificates to the gas station operator allowed the operator to falsely claim compliance with laws and regulations governing USTs, and Respondent Ashton knew that no insurance was available to pay remediation costs in the event of a leak at the gas station.
10. Respondent Ashton's delivery of the fake document in exchange for cash assisted the insurance producer with avoiding detection by authorities. From on or about November 28, 2012, and continuing to on or about October 8, 2013, Respondent Ashton failed to report the insurance producer's crime to a judge or other person in civil or military authority under the United States.
11. On February 4, 2015, Respondent Ashton entered into a Plea Agreement in which he pled guilty to misprision of a felony, in violating of 18 U.S.C. § 4 and on June 8, 2015, Respondent Ashton was adjudicated guilty for violating 18 U.S.C. § 4 providing justification for sanction pursuant to Section 1239(1)(d), (f), and (h) of the Code, MCL 500.1239(1)(d), (f), and (h).
12. Respondents and DIFS conferred for the purpose of resolving this matter.
13. Respondents exercised the right to an opportunity to show compliance pursuant to the Michigan Administrative Procedures Act (APA), MCL 24.201 *et seq.*
14. All parties have complied with the procedural requirements of the APA and the Code.
15. Respondents Ashton and Ashton Agency, Inc. admit to providing justification for sanctions pursuant to Section 1239(1)(d) of the Code, MCL 500.1239(1)(d) by misappropriating or converting money intended to purchase underground storage tank (UST) insurance which was received in the course of doing insurance business.

16. Respondent Ashton admits to providing justification for sanctions pursuant to Section 1239(1)(f) of the Code, MCL 500.1239(1)(f), by being convicted of violating 18 U.S. C. §4, a felony.
17. Respondents Ashton and Ashton Agency, Inc. admit to providing justification for sanctions pursuant to Section 1239(1)(h) of the Code, MCL 500.1239(1)(h), by using dishonest practices or demonstrating incompetence, untrustworthiness, or financial irresponsibility in the conduct of insurance business by failing to report to the proper authorities another insurance producer's crime of creating and selling falsified UST insurance certificates to gas station owners/operators throughout the state of Michigan and by taking affirmative steps to conceal the insurance producer's actions including taking possession of the falsified documents; delivering the false documents to a third party in exchange for a \$2,000.00 cash payment; retaining \$500.00 of that payment; and delivering the remaining \$1,500.00 to the insurance producer.
18. Respondent Ashton and Ashton Agency, Inc. admit to providing justification under Section 1239(3) of the Code, MCL 500.1239(3), for the Director to revoke the insurance producer license of Ashton Agency, Inc. due to evidence showing that Respondent Ashton knew or should have known of the violations of the Code occurring at Ashton Agency, Inc., but Respondent Ashton failed to report the violations of the Code to the Director or take corrective action.
19. Respondent Ashton agrees to the revocation of his insurance producer license.
20. Respondent Ashton Agency, Inc. agrees to the revocation of its insurance producer license.
21. Respondent Ashton and Plymouth Insurance Advisors Agency, LLC admit to providing justification under Section 1239(3) of the Code, MCL 500.1239(3), for the Director to revoke the insurance producer license of Plymouth Insurance Advisors Agency LLC due to evidence showing that Respondent Ashton knew or should have known of the violations of the Code occurring at Plymouth Insurance Advisors Agency LLC, but Respondent Ashton failed to report the violations of the Code to the Director or take corrective action.
22. Respondent Plymouth Insurance Advisors Agency, LLC agrees to voluntarily surrender its insurance producer/agency license within 30 days of the Order Accepting Stipulation. Respondent further agrees to the revocation of its insurance producer/agency license if it fails to voluntarily surrender its licensee, as provided in the Order.

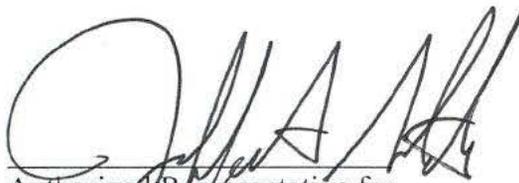
- 23. Respondents have had an opportunity to review this Stipulation to Entry of Order and the proposed Order Accepting Stipulation and have the same reviewed by legal counsel.
- 24. The Chief Deputy Director may, in her sole discretion, decide to accept or reject this Stipulation to Entry of Order. If the Chief Deputy Director accepts the Stipulation to Entry of Order, Respondents waive the right to a hearing in this matter and consent to the entry of the Order Accepting Stipulation. If the Chief Deputy Director does not accept the Stipulation to Entry of Order, Respondents waive any objection to the Director holding a formal administrative hearing and making a decision after such hearing.


Jeffrey A. Ashton
System ID No. 0033583

1/21/16
Date

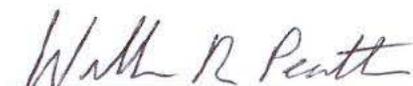

Authorized Representative for
Ashton Agency, Inc.
System ID No. 0009558

1/21/16
Date


Authorized Representative for
Plymouth Insurance Advisors
Agency, LLC
System ID No. 0085619

1/21/16
Date

DIFS Staff approve this stipulation and recommend that the Chief Deputy Director issue an Order Accepting Stipulation.


William R. Peattie (P48004)
DIFS Staff Attorney

1/25/16
Date