

**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. 13-11907

Agency No. 13-016-L

Petitioner,

v

Matthew Kozlowski

System ID No. 0582261

Respondent.

_____ /

Issued and entered
on July 24th, 2014
by Randall S. Gregg
Deputy Director

FINAL DECISION

I. Background

Matthew Kozlowski (hereinafter Respondent) is a licensed nonresident insurance producer. The Department of Insurance and Financial Services (DIFS) received information that Respondent had been involved in several administrative actions in other states for misconduct involving dishonest, fraudulent and unfair trade practices. After investigation and verification of the information, on February 7, 2014, DIFS issued a Notice of Opportunity to Show Compliance (NOSC) alleging that Respondent had provided justification for revocation of licensure and other sanctions pursuant to Sections 1239(1)(b), (g), (h), and (i), 1244(1)(a-c) and 1247(1) of the Michigan Insurance Code (Code), MCL 500.1239(1)(b), (g), (h) and (i), 500.1244(1)(a-c) and MCL 500.1247. Respondent failed to reply to the Notice.

On April 10, 2014, DIFS issued an Administrative Complaint and Order for Hearing which was served upon Respondent. The Order for Hearing required Respondent 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 Respondent planned to attend the hearing, or (3) request an adjournment. Respondent failed to take any of these actions.

On June 24, 2014, DIFS' staff filed a Motion for Final Decision. Respondent did not file a reply to the motion. Given Respondent's failure to respond, Petitioner's motion is granted.

The Administrative Complaint, being unchallenged, is accepted as true. Based upon 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, Respondent was a licensed nonresident insurance producer with qualifications in life, accident and health.
3. On or about October 22, 2012, Respondent's Kansas nonresident insurance producer license was revoked pursuant to KSA 40-4909(a)(8) because Respondent used a fraudulent, coercive, or dishonest practice in submitting applications for insurance without the approval of consumers and falsely represented medical history on those applications. The Commissioner of the Kansas Department of Insurance also found that, based on the same conduct as stated, Respondent had committed an insurance unfair trade practice in violation of KSA 40-2404(11).
4. On or about November 3, 2012, Respondent's Idaho nonresident insurance producer license was revoked pursuant to Idaho Code Section 41-1016(i) which provides that the Director of the Department of Insurance may revoke the license of an insurance producer whose insurance license is revoked in any other state.
5. On or about January 23, 2013, Respondent's Kentucky nonresident insurance producer license was revoked pursuant to KRS 304.9-440(1)(b), (h) and (m) which provide that the Commissioner of the Department of Insurance may revoke the license of an insurance producer whose insurance license is revoked in any other state, and for using fraudulent, coercive and dishonest practices, or demonstrating incompetence, untrustworthiness, or financial irresponsibility, or being a source of injury or loss to the public in the conduct of business in Kentucky or elsewhere.
6. On or about February 11, 2013, Respondent's California nonresident insurance producer license was summarily revoked pursuant to California Insurance Code Section 1669(d) which provides that the Director of the Department of Insurance may revoke the license of an insurance producer whose insurance license was revoked in any other state.
7. On or about May 9, 2013, Respondent's Virginia nonresident insurance producer license was revoked pursuant to Sections 38.2-512A and 38.2-1822A of the Virginia Code which provides that the State Corporation Commission may revoke the license of an insurance producer who makes false statements or representations on or relative to an application for an insurance policy for the purpose of obtaining a fee or a commission, and by knowingly permitting unlicensed persons to act as agents.

8. On or about May 23, 2013, Respondent's North Dakota nonresident insurance producer license was revoked pursuant to violations of N.D.C.C. Sections 26.1-26-15, 26.1-26-42 and 26.1-26-45.1 of the North Dakota Insurance Statutes which provides that the Commissioner may revoke the license of an insurance producer who fails to report administrative action taken in other states and fails to respond to requests made by the Commissioner.
9. As a licensee, Respondent knew or had reason to know that Section 1247(1) of the Code, MCL 500.1247(1), provides that an insurance producer shall report to the Director any administrative action taken against the insurance producer in another jurisdiction or by another governmental agency in this state within 30 days after the final disposition of the matter. This report shall include a copy of the order, consent to order, or other relevant legal documents.
10. Respondent violated Section 1247(1) of the Code by failing to report any of the aforementioned administrative actions to DIFS.
11. As a licensee, Respondent knew or had reason to know that Section 1239(1)(b) of the Code, MCL 500.1239(1)(b), provides that the Director may suspend or revoke an insurance producer license for violating any insurance laws or violating any regulation, subpoena, or order of the Director or of another state's insurance commissioner.
12. Respondent has provided justification for sanctions pursuant to Section 1239(1)(b) of the Code by violating the insurance laws of Kansas, Idaho, Kentucky, California, Virginia and North Dakota.
13. As a licensee, Respondent knew or had reason to know that Section 1239(1)(g) of the Code, MCL 500.1239(1)(g), provides that the Director may suspend or revoke an insurance producer license for having admitted to or been found to have committed any insurance unfair trade practice or fraud.
14. Respondent has provided justification for sanctions, pursuant to Section 1239(1)(g) of the Code, by having been found to have committed insurance unfair trade practices or fraud by the state of Kansas.
15. As a licensee, Respondent knew or had reason to know that Section 1239(1)(h) of the Code, MCL 500.1239(1)(h), provides that the Director may suspend or revoke an insurance producer license for using fraudulent, coercive, or dishonest practices or demonstrating incompetence, untrustworthiness, or financial irresponsibility in the conduct of business in this state or elsewhere.
16. Respondent has provided justification for sanctions, pursuant to Section 1239(1)(h) of the Code, by having been found to have used fraudulent and dishonest practices; and by demonstrating incompetence, untrustworthiness or financial irresponsibility in the conduct of business in the states of Kansas, Idaho, Kentucky, California, Virginia and North Dakota.

17. As a licensee, Respondent knew or had reason to know that Section 1239(1)(i) of the Code, MCL 500.1239(1)(i), provides that the Director may suspend or revoke an insurance producer license for having an insurance producer license or its equivalent denied, suspended, or revoked in any other state, province, district, or territory.
18. Respondent has provided justification for sanctions, pursuant to Section 1239(1)(i) of the Code, by having had his insurance producer license revoked in the states of Kansas, Idaho, Kentucky, California, Virginia and North Dakota.
19. Based upon the actions listed above, Respondent has committed acts that provide justification for the Director to order licensing sanctions, including revocation of licensure.
20. On February 7, 2014, true copies of a NOSC were mailed by first class mail to Respondent at the following address of record on file with DIFS: 3275 W. Hillsboro, Deerfield Beach, FL, 33442. Respondent failed to respond to the NOSC.
21. On April 10, 2014, true copies of an Administrative Complaint, Order for Hearing and Notice of Hearing were mailed by first class mail to Respondent at the following address of record on file with DIFS:
22. DIFS' staff searched other databases for alternative addresses and mailed true copies of the Administrative Complaint, Order for Hearing and Notice of Hearing were mailed to Respondent at the following address:
23. In paragraph 3 of the Order for Hearing, the Respondent was ordered to do one of the following within 21 days of the date of the Order: 1) agree to a resolution with the opposing party, 2) file a response to the allegations in the Administrative Complaint, or 3) file a request for an adjournment. Paragraph 5 states that failure to make the required filing shall constitute the default of Respondent in this contested case.
24. Respondent failed to take any of the actions required by paragraph 3 of the Order.
25. DIFS' staff has made reasonable efforts to serve Respondent and has complied with MCL 500.1238.
26. Respondent has received notice and has been given an opportunity to respond and appear and has not responded or appeared.
27. Respondent is in default and the Petitioner is entitled to have all allegations accepted as true.

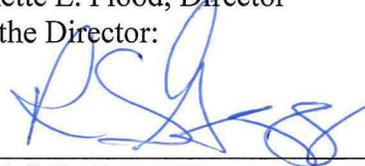
III. Order

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

1. Respondent shall cease and desist from violating the Code.

2. Respondent shall immediately cease and desist from engaging in the business of insurance.
3. Respondent's nonresident insurance producer license is **REVOKED**.

Annette E. Flood, Director
For the Director:



Randall S. Gregg, Deputy Director