

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:

Office of Financial and Insurance Regulation,

Enforcement Case No. 11-11274

Agency No. 12-018-L

Petitioner,

v

Christopher Bryan Lee
System ID No. 0455627

Respondent.

Issued and entered
this 20th day of July 2012
by Randall S. Gregg
Deputy Commissioner

FINAL DECISION

I. BACKGROUND

Respondent Christopher Bryan Lee is a licensed resident insurance producer. The Office of Financial and Insurance Regulation (OFIR) received information alleging Respondent had improperly held, misappropriated or converted money in the course of doing insurance business. After verification of information and multiple efforts to contact Respondent, on March 21, 2012, OFIR issued a Notice of Opportunity to Show Compliance alleging that cause existed to revoke Respondents license pursuant to Sections 1239(1)(b), 1239(1)(d), 1238(1), 1247(2) of the Michigan Insurance Code, MCL 500.1239(1)(b), 500.1239(1)(d), 500.1238(1), and 500.1247(2). Respondent failed to reply to the notice.

On May 8, 2012, OFIR issued an Administrative Complaint and Order for Hearing (Administrative Complaint) which was sent to Respondent. The Order for Hearing required Respondent to take one of the following actions within 21 days: agree to a resolution of the case, file an answer to the allegations with a statement that Respondent planned to attend the hearing, or request an adjournment. Respondent failed to take any of these actions.

On June 8, 2012, OFIR Staff filed a Motion for Final Decision. Respondent did not file a reply to the motion. Given Respondent's failure to answer, Petitioner's motion is granted. The Administrative Complaint, being unchallenged, is accepted as true. Based upon the Administrative Complaint, the Commissioner makes the following Findings of Fact and Conclusions of Law.

II. FINDINGS OF FACT AND CONCLUSIONS OF LAW

1. Christopher Bryan Lee, System ID No. 0455627, (Respondent), has been a licensed resident producer with a qualification in limited lines Property and Casualty since July 22, 2009.
2. Respondent was an independent contractor for _____ from July 26, 2009 until the termination of his agreement on or around May 19, 2011.
3. On September 26, 2009, Respondent executed a bond for \$2,500.00 for which he collected \$150.00 and issued a promissory note for the additional \$100.00 in premium owed. Based on Respondent's contract, his commission was 20% of the premium collected. Respondent retained a \$50.00 commission based upon the full \$250.00 premium despite only collecting \$150.00 in premium. Respondent improperly retained an additional \$20.00 above and beyond the \$30.00 commission actually earned.
4. On November 29, 2009, Respondent executed a bond for \$3,750.00 for which he collected \$325.00. Respondent should have collected \$375.00 leaving an unaccounted \$50.00 discrepancy. Based on Respondent's contract, his commission was 20% of the premium collected, or \$65.00. Respondent retained a \$65.00 commission and retained an additional, unauthorized \$50.00 for gas money.
5. On March 18, 2010, Respondent executed a bond for \$15,000 for which he collected \$750.00 and was owed an additional \$750.00 in premium. Based on Respondent's contract his commission was 20% of the premium collected. Respondent retained a \$300.00 commission based on the full \$1,500.00 premium when he only actually collected \$750.00 in premium. Respondent improperly retained \$150.00 in premium above and beyond the \$150.00 in commission earned.
6. By retaining unearned commission and collecting unauthorized charges Respondent improperly held, misappropriated and converted money received in the course of doing insurance business providing a basis under Section 1239(1)(d) of the Code, MCL 500.1239(1)(d) for the Commissioner to place on probation, suspend, or revoke Respondent's insurance producer license or levy a civil fine under Section 1244 of the Code, MCL 500.1244, or any combination of actions.
7. Respondent's license indicates his mailing address is the location of _____
8. On or about May 19, 2011 Respondent's service contract with _____ was terminated.
9. Respondent failed to notify the Commissioner of a change in Respondent's mailing address.
10. By failing to notify the Commissioner of a change of mailing address within 30 days of the change Respondent violated Section 1238(1) of the Code, MCL 500.1238(1).

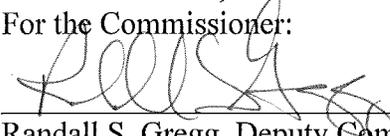
11. By violating Section 1238(1) of the Code, MCL 500.1238(1), Respondent's actions provide a basis under Section 1239(1)(b) of the Code, MCL 500.1239(1)(b), for the Commissioner to place on probation, suspend, or revoke Respondent's insurance producer license or levy a civil fine under Section 1244 of the Code, MCL 500.1244, or any combination of actions.
12. As a licensed resident producer, Respondent knew or had reason to know that Section 1247(2) of the Code, MCL 500.1247(2), requires an insurance producer to report to the Commissioner any criminal prosecution taken in any jurisdiction within 30 days after an initial pretrial hearing date.
13. On April 18, 2011, Respondent was arraigned in the 60th District Court of the State of Michigan on charges of Assault or Assault and Battery, under Section 81 of the Michigan Penal Code, 1931 PA 328, as amended, MCL 750.81.
14. Respondent did not report the arraignment or any subsequent actions on the case to the Commissioner.
15. On May 2, 2011, Respondent was arraigned in the 60th District Court of the State of Michigan on charges of Prowling under Section 54-96 of the Muskegon City Code.
16. Respondent did not report the arraignment or any subsequent actions on the case to the Commissioner.
17. On May 31, 2011, Respondent was arraigned in the 60th District Court of the State of Michigan on charges of Operating a Vehicle with the Presence of Drugs under Section 625(8) of the Michigan Vehicle Code, 1949 PA 300, as amended, MCL 257.625(8).
18. Respondent did not report the arraignment or any subsequent actions on the case to the Commissioner.
19. By failing to provide information regarding criminal prosecutions against him within 30 days of the initial pretrial hearing date, Respondent violated Section 1247 of the Code, MCL 500.1247(2).
20. By violating Section 1247(2) of the Code, MCL 500.1247(2), Respondent's actions provide a basis under Section 1239(1)(b) of the Code, MCL 500.1239(1)(b), for the Commissioner to place on probation, suspend, or revoke Respondent's insurance producer license or levy a civil fine under Section 1244 of the Code, MCL 500.1244, or any combination of actions.

III. ORDER

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

1. Respondent shall cease and desist from violating the provisions of the Code cited above.
2. Respondent shall immediately cease and desist from engaging in the business of insurance.
3. All insurance licenses of Christopher Bryan Lee are **REVOKED**.

R. Kevin Clinton, Commissioner
For the Commissioner:



Randall S. Gregg, Deputy Commissioner