

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. 12-11481  
Agency No. 12-023-L

Petitioner,

v

Ricco Fernando Hill  
System ID No. 549466

Respondent.

Issued and entered  
this 4<sup>th</sup> day of September 2012  
by Randall S. Gregg  
Deputy Commissioner

**FINAL DECISION**

**I. BACKGROUND**

Respondent 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 while engaged in the business of insurance in Michigan. After verification of the information and multiple efforts to contact the Respondent, on March 21, 2012, OFIR issued a Notice of Opportunity to Show Compliance to the Respondent alleging that the Respondent had provided justification for revocation of licensure and other sanctions pursuant to Sections 1239(1), 1244(1)(a-c) of the Michigan Insurance Code (Code), MCL 500.1239(1) and 500.1244(1)(a-c). Respondent failed to reply to the notice.

On May 31, 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 a response 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 August 15, 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. At all relevant times, Rico Fernando Hill, (Respondent) was a licensed resident insurance producer pursuant to the Michigan Insurance Code (Code), 1956 PA 218, as amended, MCL 500.100 *et. seq.*, System ID No. 549466.
2. On or about August 19, 2011, OFIR was informed that [redacted] had terminated its Michigan appointment of Respondent for cause.
3. More specifically, [redacted] alleged that Respondent violated its policies and procedures when he forged signatures on applications for insurance and payment documentation and misappropriated the identity of insurance customers.
4. [redacted]'s independent investigation found that Respondent submitted an application for term life insurance with a critical illness benefit rider on behalf of L.K. Ms. K did not sign an application for term life insurance or authorize Respondent to complete an application on her behalf. Ms. K did not give an authorization to Respondent to purchase term life insurance with a critical illness benefit rider and was unaware that it had been purchased.
5. As a result of the forged, unauthorized application, \$100 was drafted from Ms. K's bank account. Respondent received \$1,035 in commission for the policy from [redacted]. Respondent was not entitled to receive any commission.
6. As a licensed resident insurance producer, Respondent knew or should have known that it is a violation of the Code, MCL 500.1239(1)(g), to commit fraud. Respondent committed fraud when he applied for insurance using Ms. K's name in order to earn a commission that he was not entitled to receive.
7. As a licensed resident insurance producer, Respondent knew or should have known that it is a violation of the Code, MCL 500.1239(1)(h), to use dishonest practices and to demonstrate untrustworthiness and incompetence in the conduct of the business of insurance. Respondent demonstrated untrustworthiness and incompetence when he fraudulently submitted an insurance application, forged a signature, and collected unearned commission.
8. As a licensed resident insurance producer, Respondent knew or should have known that it is a violation of the Code, MCL 500.1239(1)(j), to forge another's name to an application for insurance.

9. Based upon the above, Respondent has committed acts for which the Commissioner may order the payment of a civil fine, restitution to cover losses, damages or other harm attributed to Respondent's violation of the Code, and/or that Respondent's insurance producer license be limited, suspended or revoked as may be warranted.
10. On March 13, 2012, a Notice of Opportunity to Show Compliance was mailed by first class mail to Respondent at the following addresses on file:  
  
Respondent did not sufficiently respond to the Notice of Opportunity to Show Compliance.
11. On May 3, 2012, OFIR Staff requested additional responses and documentation. Respondent was to submit his response and documentation no later than May 10, 2012. Respondent failed to respond.
12. On May 10, 2012, a true copy of an Administrative Complaint, Order for Hearing and Notice of Hearing was mailed by first class mail to Respondent at the following addresses on file:  
  
No response was received.
13. 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 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.
14. Respondent failed to take any of the actions required by paragraph 3 of the Order. See Petitioner's Exhibit 1, Affidavit of Mary A. Hamilton.
15. Despite OFIR Staff having made reasonable efforts to serve Respondent and having complied with MCL 500.1238, Respondent has failed to appear and defend.
16. Therefore, where Respondent has received notice and was given an opportunity to have a hearing in this contested case and Respondent has not responded nor appeared to defend, the Petitioner is entitled to an entry of default and a Final Decision revoking Respondent's insurance producer license.

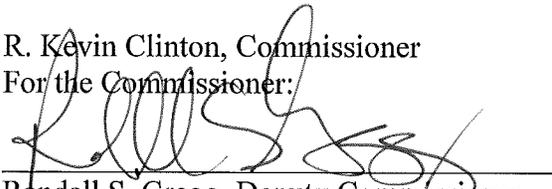
### III. ORDER

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. All insurance licenses of Ricco Fernando Hill are **REVOKED**.

R. Kevin Clinton, Commissioner  
For the Commissioner:



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Randall S. Gregg, Deputy Commissioner