



COMMONWEALTH OF MASSACHUSETTS
Office of Consumer Affairs and Business Regulation
DIVISION OF INSURANCE

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DANIEL O'CONNELL
SECRETARY OF HOUSING AND
ECONOMIC DEVELOPMENT

DANIEL C. CRANE
DIRECTOR

NONNIE S. BURNES
COMMISSIONER OF INSURANCE

Division of Insurance, Petitioner

v.

Anawan Insurance Agency, Inc.
and Stephen G. Michaels, Respondents

Docket No. E2004-23

Decision and Order on Appeal to the Commissioner

On May 15, 2007, a hearing officer of the Division of Insurance issued a *Decision and Order* (“*Decision*”) in the above-captioned matter. The *Decision* found that Anawan Insurance Agency, Inc. and Stephen G. Michaels (collectively “the Respondents”) had violated G.L. c. 176D, §2 (“§2”) and G.L. c. 175, §177 (“§177”) by engaging in insurance business transactions with Kuntthy Prum (“Prum”), doing business as “Handel Insurance Agency,” at times when Prum was not licensed to transact insurance business in Massachusetts. These actions were found to constitute unfair or deceptive acts or practices in the business of insurance detrimental to consumers. For 300 violations of §2, the *Decision* assessed fines of \$30,000.00. No fines were assessed for the violations of §177.

The *Decision* advised the Respondents that they could appeal to the Commissioner of Insurance (“Commissioner”) pursuant to the terms of G.L. c. 26, §7, which allows a person aggrieved by a decision issued following a hearing held by a person other than the Commissioner

to appeal to the Commissioner. By a Notice of Appeal filed on May 17, 2007, the Respondents appealed the *Decision*. They did not identify any legal or factual errors in the *Decision* in support of their appeal.

I have reviewed the case and the Respondents' claim of appeal. The Respondents have advanced no argument or statement that persuades me that I should modify or reverse the *Decision*. I find that substantial evidence supports the *Decision* and that the *Decision* is appropriate. I affirm the *Decision*.

Accordingly, the Respondents shall fully comply with the orders of the hearing officer no later than sixty (60) days after the date of this *Decision and Order on Appeal to the Commissioner*:

ORDERED: that the Respondents shall pay fines totaling thirty thousand dollars (\$30,000.00) for 300 violations of G.L. c. 176D, §2.

FURTHER ORDERED: that the Respondents shall cease and desist from the conduct that gave rise to these sanctions.

FURTHER ORDERED: that the \$30,000.00 in fines imposed herein shall be paid within sixty (60) days of the filing date of this *Decision and Order on Appeal to the Commissioner*, and if such fines are not paid in full by this date, that the insurance producer licenses of the Respondents shall be forthwith suspended until such time as such fines are paid in full.

This *Decision and Order on Appeal to the Commissioner* has been filed this 9th day of October, 2007, in the office of the Commissioner of Insurance. This determination constitutes a final agency decision.

Filed: October 9, 2007

Nonnie S. Burnes
Commissioner of Insurance

This decision may be appealed to Superior Court in accordance with the provisions of G.L. c. 30A, §14.