

STATE OF MICHIGAN
DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES
Before the Director of the Department of Insurance and Financial Services

In the matter of:

William Walter Krueger
System ID No. 0245682

Enforcement Case No. 22-16915

Respondent.

_____ /

Issued and entered
on November 18, 2024
by Joseph A. Garcia
General Counsel and Special Deputy Director

AMENDED 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 Special Deputy Director finds and concludes that:

1. The Special 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.*
2. All required notices have been issued in this case, and the notices and service thereof were appropriate and lawful in all respects.
3. Acceptance of the Stipulation to Entry of Order (Stipulation) is reasonable and in the public interest.
4. All applicable provisions of the Administrative Procedures Act (APA), MCL 24.201 *et seq.* have been either satisfied or waived by all Parties.
5. On or about November 1, 2023, DIFS served a Notice of Opportunity to Show Compliance (NOSC) on Respondent. In the NOSC, DIFS asserts that Respondent violated Sections 1207(1) and (2) of the Code, MCL 500.1207(1) and (2), and provided justification for sanctions pursuant to Section 1239(1)(b) and (g) of the Code, MCL 500.1239(1)(b) and (g).
6. Respondent admits he violated MCL 500.1207(2) and is subject to sanctions pursuant to MCL 500.1239(1)(g) for failing to use reasonable accounting methods to record funds he received in his fiduciary capacity. Respondent neither admits nor denies the other alleged violations but has stipulated to pay a civil fine in the amount of four thousand dollars (\$4,000.00) and to a (1) year suspension of his license in order to avoid the expense and uncertainty associated with ongoing litigation.

7. The Director is authorized to take disciplinary action against Respondent's insurance license in addition to the imposition of monetary penalties for the above-described statutory violations pursuant to Sections 1239(1) and 1244, of the Code, MCL 500.1239(1) and MCL 500.1244.

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

1. All agreements contained in the Stipulation to Entry of Order are accepted and adopted in their entirety.
2. Pursuant to Section 1239(1)(g) of the Code, MCL 500.1239(1)(g), Respondent's resident insurance producer license is hereby suspended for one (1) year, beginning the day immediately after the day this order is issued.
3. Pursuant to Section 1239(1)(g) of the Code, MCL 500.1239(1)(g), Respondent shall pay a civil fine in the amount of four thousand dollars (\$4,000.00) within thirty days (30) after the date this Order is executed by the Special Deputy Director.
4. The Special Deputy Director retains jurisdiction over the matters contained herein and, in accordance with the Code, has the authority to issue such further order(s) as shall be deemed just, necessary, and appropriate. Failure to abide by the terms and provisions of the Stipulation to Entry of Order and this Order Accepting Stipulation may result in the commencement of additional proceedings.



Joseph A. Garcia
Special Deputy Director and General Counsel

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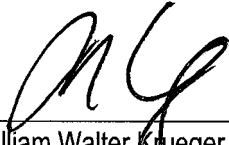
STIPULATION TO ENTRY OF ORDER

Petitioner, Department of Insurance and Financial Services (DIFS), and William Walter Krueger stipulate to the following:

1. At all relevant times, William Walter Krueger (Respondent) (System ID No. 0245682) was a licensed resident insurance producer.
2. Respondent had this Consent Order and Stipulation to Entry of Order reviewed by legal counsel.
3. Respondent has read and understands this Consent Order (Order) and Stipulation to Entry of Order (Stipulation).
4. Respondent understands that he has a right to a hearing before an administrative law judge, at which DIFS would be required to prove the charges set forth by presentation of evidence and legal authority and at which Respondent would be entitled to appear, to cross-examine all witnesses presented by DIFS, and to present such testimony or other evidence or legal authority deemed appropriate as a defense to said charges. Respondent understands and intends that by agreeing to the Order and Stipulation, Respondent is knowingly and voluntarily waiving his right, pursuant to the Michigan Insurance Code of 1956 (Code), MCL 500.100 *et seq.*, the rules promulgated thereto, and the Administrative Procedures Act (APA), MCL 24.201 *et seq.*, to a hearing before an administrative law judge.
5. Respondent agrees that all parties have complied with the procedural requirements of the APA and the Code.
6. The Special Deputy Director retains jurisdiction over the matters contained herein
7. On or about November 1, 2023, DIFS served a Notice of Opportunity to Show Compliance (NOSC) on Respondent. In the NOSC, DIFS asserted that Respondent violated Sections 1207(1) and (2) of the Code, MCL 500.1207(1) and (2), for failing to use reasonable accounting methods and failing to timely remit funds Respondent held in a fiduciary capacity. The NOSC alleged Respondent's conduct provided justification for sanctions pursuant to Section 1239(1)(b) and (g) of the Code, MCL 500.1239(1)(b) and (g).

8. The violations alleged in the NOSC warrant disciplinary action against Respondent's license and monetary penalties pursuant to Sections 1239(1) and 1244 of the Code, MCL 500.1239(1) and MCL 500.1244.
9. Respondent admits he violated MCL 500.1207(2) by failing to use reasonable accounting methods to record funds he received in his fiduciary capacity, and the violation warrants sanctions under MCL 500.1239(1)(g). Respondent neither admits nor denies the other allegations set forth in the NOSC; however, in order to avoid the expense and uncertainty associated with further litigation, the Parties have conferred and voluntarily agreed to resolve this matter pursuant to the terms set forth below in this Stipulation to Entry of Order (Stipulation).
10. Respondent hereby stipulates to the suspension of his insurance producer license for one (1) year; the suspension shall begin the day immediately after the day the order is entered.
11. Respondent shall pay a civil fine in the amount of four thousand dollars (\$4,000.00) within thirty days (30) after the date the Special Deputy Director executes the Order.
12. In addition to the other penalties stated in this Stipulation, Respondent agrees that the failure to complete any aspect of this Stipulation, including failure to complete any aspect within the time period or periods indicated herein, will result in:
 - a. The doubling of the civil fine to eight thousand dollars (\$8,000.00), payable in full within thirty (30) days of Respondent's receipt of notice from DIFS that it is exercising its rights under this paragraph;
 - b. The automatic revocation of Respondent's license; and/or,
 - c. The denial of any and all future applications for licensure under the Code.
13. Both parties consent to entry of the proposed Order upon approval of the Special Deputy Director.
14. Respondent understands that this Stipulation and the accompanying Order will be presented to the Special Deputy Director for approval and that the Special Deputy Director may or may not approve and adopt it. Respondent further agrees that the Special Deputy Director has jurisdiction and authority to approve and adopt this Stipulation and the accompanying Order.
15. Respondent waives any objection to the Director deciding this case following a Michigan Office of Administrative Hearings and Rules hearing in the event that the Stipulation and/or the accompanying Order are not approved.

16. The parties agree that the Stipulation represents the full and complete agreement of the parties in this matter and, in the event that this stipulation is accepted by the Special Deputy Director and Respondent fully complies with its terms and the terms of the Order, it shall completely resolve the enforcement case captioned above.




William Walter Krueger
System ID No. 0245682

11/6/2024

Date

DIFS Staff approve this Stipulation and recommend that the Special Deputy Director accept it and issue an Order Accepting Stipulation.



Jamie McCarthy (P78968)
DIFS Staff Attorney

11/6/2024

Date