BEFORE THE INSURANCE COMMISSIONER OF THE 2010 MAR 19 AM 11: 08 COMMONWEALTH OF PENNSYLVANIA

IN RE:

VIOLATIONS:

Glenn Randall 605G Edison Avenue Philadelphia, PA 19116 Section 611-A (20) of the Insurance Department Act of 1921, Act of May 17, 1921, P.L. 789, No. 285, as amended (40 P.S. §310.11).

40 P.S. §§ 910-1--910-55.

Respondent.

Docket No.: C010-03-015

CONSENT ORDER

AND NOW, this 19th day of March, 2010, this Order is hereby issued by the Insurance Department of the Commonwealth of Pennsylvania pursuant to the statutes cited above and in disposition of the matter captioned above.

- 1. Respondent hereby admits and acknowledges that he has received proper notice of his rights to a formal administrative hearing pursuant to the Administrative Agency Law, 2 Pa.C.S. § 101, et seq., or other applicable law.
- 2. Respondent hereby waives all rights to a formal administrative hearing in this matter, and agrees that this Consent Order, and the Findings of Fact and Conclusions of Law contained herein, shall have the full force and effect of an Order

duly entered in accordance with the adjudicatory procedures set forth in the Administrative Agency Law, <u>supra</u> or other applicable law.

3. Respondent does not admit the Findings of Fact or Conclusions of Law contained herein.

FINDINGS OF FACT

- 4. The Insurance Department finds true and correct each of the following Findings of Fact:
 - (a) Respondent is Glenn Randall, residing at 605G Edison Avenue,
 Philadelphia, PA 19116
 - (b) Respondent is, and during all relevant times herein, was a resident title agent, license number 262323, which expires on September 30, 2011.
 - (c) Respondent was the qualified acting officer of Lexington & Concord Search and Abstract, LLP ("L&C"), a resident agency, (license number 510705) with a license issued on May 17, 2004, which expired on February 21, 2005.

- (d) Respondent was the designated licensee of Lexicon Property Services,
 Inc. ("Lexicon"), a resident agency (license number 63740) with a
 license issued on May 17, 2004, which expired on February 21, 2007.
- (e) In May of 2006, Chicago Title Insurance Company ("Chicago Title") brought an action in federal court against Respondent, L&C and Lexicon.
- (f) The Complaint alleged that the Respondent committed numerous substantial accounting irregularities involving premium relating to title insurance policies issued by Chicago Title.
- (g) Respondent commingled title insurance premiums with funds in the L&C and Lexicon operating accounts and otherwise failed to fulfill his fiduciary capacity in handling such funds.
- (h) On November 24, 2008, Respondent, on behalf of L& C and Lexicon, entered into a Settlement Agreement with Chicago Title, resolving the civil action referenced, i.e., a claim by Chicago Title for monies improperly escrowed by Respondent.

- (i) On July 21, 2008, Respondent filed an application with the Department, seeking licensure as a producer in the Commonwealth with property and casualty authority.
- (j) Respondent has agreed withdraw his application for licensure and to not seek licensure as a producer in the Commonwealth.

CONCLUSIONS OF LAW

- 5. In accord with the above Findings of Fact and applicable provisions of law, the Insurance Department concludes and finds the following Conclusions of Law:
 - (a) Respondent is subject to the jurisdiction of the Pennsylvania Insurance Department ("Department").
 - (b) Pursuant to 40 P.S. §910-24.1, a title insurance agent must hold a valid license issued by the Insurance Department.
 - (c) Section 611-A (20) of the Insurance Department Act (40 P.S. §310.11 (20)) prohibits a licensee from demonstrating a lack of general fitness, competence or reliability sufficient to satisfy the Department that the licensee is worthy of licensure.

- (d) Respondent's acts described in paragraph 4 violate 40 P.S. § 310.11 (20).
- (e) Respondent's violation of Section 611-A (20) of the Insurance Department Act (40 P.S. § 310.11 (20)) is punishable by the following, under Section 691-A of the Insurance Department Act (40 P.S. § 310.91):
 - i. suspension, revocation or refusal to issue the certificate of qualification or license;
 - ii. imposition of a civil penalty not to exceed five thousand dollars (\$5,000.00) for each violation of the Act;
 - iii. an order to cease and desist; and
 - iv. any other conditions as the Commissioner deems appropriate.

ORDER

- 6. In accordance with the above Findings of Fact and Conclusions of Law, the Insurance Department orders and Respondent consents to the following:
 - (a) Respondent shall cease and desist from engaging in the activities described herein in the Findings of Fact and Conclusions of Law.

Further, with the exception of retaining his title agent licensure, and subject to the terms and restrictions herein, Respondent shall not apply for licensure by the Commonwealth as a producer in the future.

- (b) Respondent's certificates and licenses may be immediately suspended by the Department following its investigation and determination that (i) any terms of this Order have not been complied with, or (ii) any complaint against Respondent is accurate and a statute or regulation has been violated. The Department's right to act under this section is limited to a period of five (5) years from the date of this Order.
- (c) Respondent specifically waives his right to prior notice of said suspension as provided in paragraph (b) above, but will be entitled to a hearing upon written request received by the Department no later than thirty (30) days after the date the Department mailed to Respondent by certified mail, return receipt requested, notification of said suspension, which hearing shall be scheduled for a date within sixty (60) days of the Department's receipt of Respondent's written request.
- (d) At the hearing referred to in paragraph 6(c) of this Order, Respondent shall have the burden of demonstrating that he is worthy of licensure.

- (e) In the event Respondent's certificates and licenses are suspended pursuant to paragraph 6(c) above, and Respondent either fails to request a hearing within thirty (30) days or at the hearing fails to demonstrate that he is worthy of a certificate and license, Respondent's suspended certificates and licenses shall be revoked.
- 7. In the event the Insurance Department finds that there has been a breach of any of the provisions of this Order, based upon the Findings of Fact and Conclusions of Law contained herein, the Department may pursue any and all legal remedies available, including but not limited to the following: The Department may enforce the provisions of this Order in an administrative action pursuant to the Administrative Agency Law, supra, or other relevant provision of law; or, if applicable, the Department may enforce the provisions of this Order in any other court of law or equity having jurisdiction.
- Alternatively, in the event the Insurance Department finds that there has been a breach of any of the provisions of this Order, the Department may declare this Order to be null and void and, thereupon, reopen the entire matter for appropriate action pursuant to the Administrative Agency Law, <u>supra</u>, or other relevant provision of law.

9. In any such enforcement proceeding, Respondent may contest whether a breach of the provisions of this Order has occurred but may not contest the Findings of Fact and Conclusions of Law contained herein.

10. Respondent hereby expressly waives any relevant statute of limitations and application of the doctrine of laches for purposes of any enforcement of this Order.

11. This Order constitutes the entire agreement of the parties with respect to the matters referred to herein, and it may not be amended or modified except by an amended order signed by all the parties hereto.

12. This Order shall be final upon execution by the Insurance Department.

Only the Insurance Commissioner or a duly authorized delegee is authorized to bind the Insurance Department with respect to the settlement of the alleged violation of law contained herein, and this Consent Order is not effective until executed by the Insurance Commissioner or a duly authorized delegee.

BY:

Glenn Randall, Respondent

COMMONWEALTH OF PENNSYLVANIA

By: RONALD A. GALLAGHER, JR.

Deputy Insurance Commissioner