BEFORE THE INSURANCE COMMISSIONER OF THE COMMONWEALTH OF PENNSYLVANIA

IN RE:

VIOLATIONS:

LINDA CHESTER

Sections 611-A(7) and (20)

7152 Chew Avenue, 2nd Floor Front

of Act 147 of 2002 (40 P.S.

Philadelphia, PA 19119

§§310.11(7), (20))

D&L BUSINESS SERVICES, INC.

6801 Torresdale Avenue

Philadelphia, PA 19135

WORLDWIDE INSURANCE SYSTEMS:

ENTERPRISES (WISE)

Pelham Plaza

6555 Greene Street, Building C

Philadelphia, PA 19119

Docket No. CO07-11-010

Respondents.

CONSENT ORDER

AND NOW, this 9th day of JUNE, 2008, 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. Respondents hereby admit and acknowledge that they have received proper notice of their rights to a formal administrative hearing pursuant to the Administrative Agency Law, 2 Pa.C.S. § 101, et seq., or other applicable law.

2. Respondents hereby waive all rights to a formal administrative hearing in this matter, and agree 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.

FINDINGS OF FACT

- 3. The Insurance Department finds true and correct each of the following Findings of Fact:
 - (a) Respondent is Linda Chester, and maintains her address at 7152 Chew Avenue, 2nd Floor Front, Philadelphia, Pennsylvania 19119.
 - (b) At all relevant times herein, Respondent has been a licensed insurance producer in Pennsylvania, with license number 355232, and conducts business as D&L Business Services, Incorporated and Worldwide Insurance Systems Enterprises (WISE).
 - (c) Respondent is also D&L Business Services, Incorporated, located at 6801

 Torresdale Avenue, Philadelphia, Pennsylvania 19135, a licensed resident producer agency with license number 56228.

- (d) Respondent is also Worldwide Insurance Systems Enterprises (WISE), located at Pelham Plaza, 6555 Greene Street, Building C, Philadelphia, Pennsylvania 19119, a licensed resident producer agency with license number 61700.
- (e) On October 9, 2006, AIG Agency Auto notified the Department that Respondents were Terminated For Cause for failing to satisfy fiduciary duties, by defaulting on premium in the amount of \$12,566.96.
- (f) On October 17, 2007, AIG Agency Auto indicated to the Department that Respondents still owed \$4,345.29 of the above premium.
- (g) On or about October 3, 2006, the insured Rosie Tooley gave Respondents \$4,123.04 for the placement of insurance coverage.
- (h) On at least two occasions, Respondents failed to forward the above premium for Ms. Tooley, resulting in her receiving Notices of Cancellation for her insurance coverage.
- (i) On May 15, 2007, Respondents failed to cancel insurance coverage as requested by the insured.

CONCLUSIONS OF LAW

- 4. 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) Respondents are subject to the jurisdiction of the Pennsylvania Insurance Department.
 - (b) Section 611-A(7) of Act 147 of 2002 (40 P.S. § 310,11(7)) prohibits a licensee from using fraudulent, coercive or dishonest practices or demonstrate incompetence, untrustworthiness or financial irresponsibility in the conduct of doing business in this Commonwealth or elsewhere.
 - (c) Section 611-A(20) of Act 147 of 2002 (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) Respondents' activities described above in paragraphs 3(e) through 3(i) constitute violations of Sections 611-A(7) and (20) of Act 147 of 2002 (40 P.S. §§ 310.11(7), (20)).

- (e) Respondent's violations of Sections 611-A(7) and (20) of Act 147 of 2002 are punishable by the following, under Section 691-A of Act 147 of 2002 (40 P.S. § 310.91):
 - 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

- 5. In accord with the above Findings of Fact and Conclusions of Law, the Insurance Department orders and Respondents consent to the following:
 - (a) Respondents shall cease and desist from engaging in the activities described herein in the Findings of Fact and Conclusions of Law.
 - (b) Respondents shall immediately pay to AIG Agency Auto all outstanding amounts owed to AIG Agency Auto.
 - (c) Respondents shall pay a civil penalty of Three Thousand Five Hundred Dollars (\$3,500.00) to the Commonwealth of Pennsylvania. Payment of this penalty

shall be made by certified check or money order, payable to the Commonwealth of Pennsylvania. Payment should be directed to Sharon L. Fraser, Administrative Assistant, Bureau of Enforcement, 1227 Strawberry Square, Harrisburg, Pennsylvania 17120. Payment may be enclosed with the Consent Order, but must be paid in any event no later than thirty (30) days after the date of the Consent Order.

- (d) Respondents' 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 a 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) year from the date of this Order.
- (e) Respondents specifically waives the right to prior notice of said suspension, 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 Respondents 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 Respondents' written request.
- (f) At the hearing referred to in paragraph 5(e) of this Order, Respondents shall have the burden of demonstrating that they are worthy of an insurance

certificate and license.

- In the event Respondents' certificates and licenses are suspended pursuant to paragraph 5(d) above, and Respondents either fail to request a hearing within thirty (30) days or at the hearing fail to demonstrate that they are worthy of a certificate and license, Respondents' suspended certificates and licenses shall be revoked.
- 6. 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, <u>supra</u>, 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.
- 7. 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.

- 8. In any such enforcement proceeding, Respondents 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.
- 9. Respondents hereby expressly waive any relevant statute of limitations and application of the doctrine of laches for purposes of any enforcement of this Order.
- 10. 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.
- 11. 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 violations of law

contained herein, and this Consent Order is not effective until executed by the Insurance Commissioner or a duly authorized delegee.

BY:

LINDA CHESTER, individually and on behalf of D&L BUSINESS SERVICES, INC. and WORLDWIDE INSURANCE SERVICES ENTERPRISE, INC. (WISE),

Respondents

COMMONWEALTH OF PENNSYLVANIA

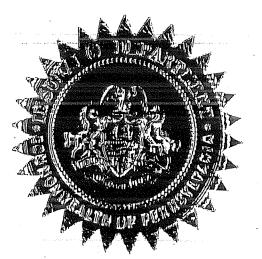
By: Randolph L. Rohrbaugh Deputy Insurance Commissioner

BEFORE THE INSURANCE COMMISSIONER OF THE COMMONWEALTH OF PENNSYLVANIA

IN RE:

The Act of April 9, 1929, P.L. 177, No. 175, known as The Administrative Code of 1929

AND NOW, this _____ day of July 2007, Randolph L. Rohrbaugh,
Deputy Insurance Commissioner, is hereby designated as the Commissioner's duly
authorized representative for purposes of entering in and executing Consent Orders. This
delegation of authority shall continue in effect until otherwise terminated by a later Order
of the Insurance Commissioner.



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Insurance Commissioner