BEFORE THE INSURANCE COMMISSIONER OF THE COMMONWEALTH OF PENNSYLVANIA 20 AM II: 43

ADMIN HEARINGS OFFICE

IN RE:

VIOLATIONS:

MARC GEOFFREY SEIDMAN 2201 Tremont Street, Apt. A102

40 Purdons Statutes, Sections 310.11(17) and 310.11(20)

Philadelphia, PA 19115-5042

NORTHEAST INSURANCE OUTLET, L.L.C. 5417 Oxford Avenue Philadelphia, PA 19124

Co-Respondents.

Docket No. CO08-10-022

CONSENT ORDER

AND NOW, this 20th day of January, 2009, 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 Marc Geoffrey Seidman, and maintains his residence at2201 Tremont Street, Apt. A102, Philadelphia, Pennsylvania 19115-5042.
 - (b) At all relevant times herein, Respondent Seidman has held an individual resident producer license number 357029 to conduct the business of insurance in Pennsylvania.
 - (c) Co-Respondent is Northeast Insurance Outlet (hereinafter, Northeast), and maintains its address at 5417 Oxford Avenue, Philadelphia, Pennsylvania 19124.
 - (d) At all relevant times herein, Respondent Northeast has held a resident agency license number 443722 to conduct the business of insurance in Pennsylvania.

- (e) At all relevant times herein, Respondent Seidman has been the designated licensed producer for Respondent Northeast.
- (f) Between August, 2007 and November, 2007, Respondents failed to remit \$1,476.45 in unearned commission back to AIG Agency Auto.
- (g) On January 8, 2008, Respondents' contract was terminated by AIG Agency Auto for violating its agency contract.
- (h) Respondent Seidman, on behalf of Respondent Northeast, has made AIG Agency Auto whole.

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) 40 Purdons Statutes, Section 310.11(17) prohibits a licensee from committing fraud, forgery, dishonest acts or an act involving a breach of fiduciary duty.

- (c) Respondents' activities described above in paragraph 3(f) violate 40 Purdons Statutes, Section 310.11(17).
- (d) 40 Purdons Statutes, Section 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.
- (e) Respondent's activities described above in paragraph 3(f) violate 40 Purdons Statutes, Section 310.11(20).
- punishable by the following, under 40 Purdons Statutes, Section 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 every 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) Respondent shall cease and desist from engaging in the activities described herein in the Findings of Fact and Conclusions of Law.
 - (b) 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

 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) Respondents specifically waive 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.

- (d) At the hearing referred to in paragraph 5(c) of this Order, Respondents shall have the burden of demonstrating that they are worthy of licensing.
- (e) 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 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, 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.
 - 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, supra, 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:

MARC GEOFFREY SEIDMAN, individually and on behalf of NORTHEAST INSURANCE OUTLET, L.L.C., Respondents

COMMONWEALTH OF PENNSYLVANIA

By: Ronald A. Gallagher, Jr. Deputy Insurance Commissioner