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INSURANCE DEPARTMENT

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ADMIN HEARINGS OFFICE

BEFORE THE INSURANCE COMMISSIONER
OF THE
COMMONWEALTH OF PENNSYLVANIA

IN RE:	:	VIOLATIONS:
	:	
MICHAEL J. BOZZI 77 Makefield Drive Morrisville, PA 19067	: : : : : :	Sections 611-A(5) and (20), 671-A(a) and 678-A(b) of Act 147 of 2002 (40 P.S. §§ 310.11, 310.71 and 310.78)
Respondent.	:	Docket No. CO06-08-038

CONSENT ORDER

AND NOW, this 20th day of October, 2006, this Order is hereby issued by the Deputy Insurance Commissioner 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, supra, or other applicable law.

FINDINGS OF FACT

3. The Deputy Insurance Commissioner finds true and correct each of the following Findings of Fact:

(a) Respondent is Michael J. Bozzi, and maintains his address at 77 Makefield Drive, Morrisville, Pennsylvania 19067

(b) Respondent is, and at all times relevant hereto has been, a licensed insurance producer.

(c) Respondent conducted the business of insurance under the following alias: Comprehensive Insurance Services, Incorporated, Exel Insurance Concepts Incorporated, Excel Insurance Concepts Incorporated, Royal Glen Insurance Agency Incorporated, and Bucks County Insurance.

(d) During 2004 and 2005, Respondent submitted 12 automobile insurance declarations to Deerbrook Insurance Company as proof of prior insurance by applicants with another insurer, Civic Property and Casualty Company.

(e) Deerbrook Insurance Company identified Respondent as the producer for the 12 applications it received from Respondent.

(f) Deerbrook Insurance Company stated applicants that provided proof of prior insurance received a premium discount.

(g) The declarations Respondent to Deerbrook Insurance Company showed alterations, including policyholders' names, and effective dates, but no alterations to the policy numbers, vehicle identification numbers and other information.

(h) Civic Property and Casualty Company provided copies of the corresponding, legitimate declarations showing that the declarations for proof of prior insurance received by Deerbrook Insurance Company from Respondent had been altered.

(i) The legitimate declarations provided by Civic Property and Casualty Company identified Respondent as the original producer.

(j) The legitimate declarations provided by Civic Property and Casualty Company were issued to policyholders other than the applicants identified to Deerbrook Insurance Company by Respondent

(k) The legitimate declarations provided by Civic Property and Casualty Company did not provide coverage during the same time periods identified on the altered declarations submitted by Respondent to Deerbrook Insurance Company.

(l) On May 25, 2006, Respondent denied having altered or submitted the altered applications to Deerbrook Insurance Company, opining that it may have been done by employees of his agency, Bucks County Insurance, or the applicants themselves.

(m) During February 2006, Lincoln General Insurance Company reported to the Pennsylvania Insurance Department that it had terminated its individual producer relationship with Respondent.

(n) Lincoln General Insurance Company stated the prevailing individual producer relationship with Respondent was continued after it terminated an agency relationship with Access General Insurance Agency, with which Respondent had been contracted as a sub-producer.

(o) Neither Access General Insurance Agency, nor Respondent, possessed appointments with Lincoln General Insurance Company.

(p) Lincoln General Insurance Company, upon request, did not provide evidence that it had attempted to appoint Access General Insurance Company and Respondent as producers.

(q) Lincoln General Insurance Company identified approximately 990 insurance policies that were issued through Respondent and his agency, Bucks County Insurance.

(r) Lincoln General Insurance Company reported that its internal investigation revealed a large number of the 990 insureds maintained addresses in New York and New Jersey, although their addresses on the automobile policies were in Pennsylvania.

(s) Lincoln General Insurance Company provided a sampling of six insurance policies signed by Respondent and identifying him as the producer.

(t) On May 25, 2006, Respondent confirmed his producer relationships with Access General Insurance Company and Lincoln General Insurance Company, but asserted that the majority of the aforementioned policies

attributed to him by Lincoln General Insurance Company were produced by Joshua R. Green, who also did not possess an appointment with the insurer.

(u) On July 11, 2005, Respondent was arrested in Bucks County, Pennsylvania, for driving under suspension and pled guilty to a misdemeanor on November 14, 2005.

(v) Respondent failed to advise the Pennsylvania Insurance Department on his renewal application dated November 2, 2005, that he had been arrested on July 11, 2005.

(w) On May 25, 2006, Respondent affirmed that he failed to report the arrest and conviction.

CONCLUSIONS OF LAW

4. In accord with the above Findings of Fact and applicable provisions of law, the Deputy Insurance Commissioner concludes and finds the following Conclusions of Law:

(a) Respondent is subject to the jurisdiction of the Pennsylvania Insurance Department.

(b) Section 611-A(5) of Act 147 of 2002 prohibits a producer from intentionally misrepresenting the terms of an actual or proposed insurance contract or application for insurance (40 P.S. § 310.11).

(c) Respondent's activities described above in paragraphs 3(c) through 3(w) violates Section 611-A(5) of Act 147 of 2002.

(d) Section 611-A(20) of Act 147 of 2002 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 (40 P.S. § 310.11(20)).

(e) Respondent's activities described above in paragraphs 3(c) through 3(w) violates Section 611-A(20) of Act 147 of 2002.

(f) Section 671-A(a) of Act 147 of 2002 prohibits an insurance producer from acting on behalf of or as a representative of the insurer unless the insurance producer is appointed by the insurer (40 P.S. § 310.71).

(g) Respondent's activities described above in paragraphs 3(c) through 3(w) violates Section 671-A(a) of Act 147 of 2002.

(h) Section 678-A(b) requires a licensee, within 30 days of being charged with criminal conduct, to report the charges to the department. The licensee shall

provide the Department with a copy of the complaint or indictment, a copy of the order of any pretrial hearing, and a report of the final disposition of the charges (40 P.S. § 310.78).

(i) Respondent's activities described above in paragraphs 3(c) through 3(w) violates Section 678-A(b) of Act 147 of 2002.

(j) Respondent's violations of Sections 611-A(5) and (20), 671-A and 678-A of Act 147 of 2002 are punishable by the following, under Section 691-A of Act 147 of 2002 (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

5. In accord with the above Findings of Fact and Conclusions of Law, the Deputy Insurance Commissioner 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.

(b) All licenses/certificates of Respondent to do insurance business are hereby revoked.

(c) If Respondent should ever become licensed in the future, his 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 (ii) above is limited to a period of five (5) years from the date of issuance of such certificates and licenses.

(d) Respondent specifically waives his 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 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.

(e) At the hearing referred to in paragraph (d) of this Order, Respondent shall have the burden of demonstrating that he is worthy of an insurance certificate and license.

(f) In the event Respondent's certificates and licenses are suspended pursuant to paragraph 5(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.

6. In the event the Deputy Insurance Commissioner 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 Deputy Commissioner finds that there has been a breach of any of the provisions of this Order, the Deputy Commissioner 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, 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.

9. Respondent hereby expressly waives 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 Deputy Insurance Commissioner. Only the Insurance Commissioner or the duly authorized Deputy Insurance Commissioner 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 the duly authorized Deputy Insurance Commissioner.

BY: _____
MICHAEL J. BOZZI, Respondent

_____
RANDOLPH L. ROHRBAUGH
Deputy Insurance Commissioner
Commonwealth of Pennsylvania