

BEFORE THE INSURANCE COMMISSIONER
OF THE
COMMONWEALTH OF PENNSYLVANIA

IN RE: : VIOLATIONS:
: :
NORMAN L. ARNOLD : Sections 611-A(20) and 641-A(a) of
999 Hamilton Park Drive : Act 147 of 2002 (40 P.S. §§ 310.11
Lancaster, PA 17603 : and 310.41)
: :
Respondent. : Docket No. CO07-07-036

CONSENT ORDER

AND NOW, this 14th day of August, 2007, 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, supra, 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 Norman L. Arnold, and maintains his address at 999 Hamilton Park Drive, Lancaster, Pennsylvania 17603.
- (b) Respondent was a previously licensed resident insurance producer, however, his license was terminated for Failure to Renew in April, 2005.
- (c) Respondent was not aware of the licensing termination and when he applied for a renewal of the license he believed was active, discovered the license had been terminated two years prior.
- (d) It was determined that Respondent had participated in two separate insurance transactions during the time his Resident Producer license was not active.
- (e) Respondent confirmed this information with the Department and has agreed to settle this matter via a Consent Order.

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) Respondent is subject to the jurisdiction of the Pennsylvania Insurance Department.
- (b) 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).
- (c) Respondent's activities described above in paragraphs 3(c) through 3(e) demonstrate lack of fitness, competence or reliability, in violation Section 611-A(20) of Act 147 of 2002.
- (d) Section 641-A of Act 147 of 2002 prohibits an individual without a certificate of qualification to perform the duties of a producer (40 P.S. § 310.41).
- (e) Respondent's activities described above in paragraphs 3(c) through 3(e) constitute performing the duties of a producer without a certificate of qualification, as required, and violates Section 641-A of Act 147 of 2002.

(f) Respondent's violation of Sections 611-A(20) and 641-A of Act 147 of 2003 is punishable under Section 691-A (40 P.S. § 310.91), by the following:

- (i) suspension, revocation or refusal to renew his insurance license(s);
- (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 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) Respondent shall pay a civil penalty of One Thousand, Five Hundred Dollars (\$1,500.00) 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, Office Manager, 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 ninety (90) days after the date of the Consent Order.

- (c) Respondent's certificates and licenses may be immediately suspended by the Department following its investigation and determination that (i) penalty payment has not been made, (ii) any terms of this Order have not been complied with, or (iii) 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.
- (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 5(d) of this Order, Respondent shall have the burden of demonstrating that he is worthy of a 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 license, Respondent's 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.

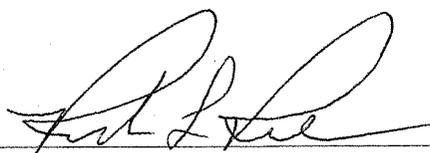
8. In any such enforcement proceeding, Respondent may contest whether a breach of the provisions of this Order has occurred but may not contest the Findings of Fact and Conclusions of Law contained herein.

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 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: 
NORMAN L. ARNOLD, Respondent


COMMONWEALTH OF PENNSYLVANIA
By: Randolph L. Rohrbaugh
Deputy Insurance Commissioner



**COMMONWEALTH OF PENNSYLVANIA
INSURANCE DEPARTMENT
ADMINISTRATIVE HEARINGS OFFICE**
901 North Seventh Street
Room 200
Harrisburg, PA 17102

Phone (717) 783-2126
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Email Hearings@ins.state.pa.us

August 14, 2007

Norman L. Arnold
999 Hamilton Park Drive
Lancaster, PA 17603

RE: **MICHAEL L. ARNOLD**
CONSENT ORDER
Docket No. **CO07-07-036**

Dear Mr. Arnold:

I am sending this date a Consent Order executed by Ranoldph L. Rohrbaugh, Deputy Insurance Commissioner. The civil penalty of \$1,500.00, per paragraph 5(b), on page four of the Consent Order must be paid within 30 days of the date of this Consent Order. Payments should be made payable to the Commonwealth of Pennsylvania and directed to Sharon L. Fraser, Office Manager, Bureau of Enforcement, 1227 Strawberry Square, Harrisburg, PA 17120.

Sincerely,

A handwritten signature in cursive script that reads "Jean Martin".

Jean Martin,
Assistant Hearings Administrator

cc: Sharon Fraser, Office Manager
Bureau of Enforcement

David B. Fraser
Special Investigator

Jim Krebs, Chief
Bureau of Producer Services