

BEFORE THE INSURANCE COMMISSIONER  
OF THE  
COMMONWEALTH OF PENNSYLVANIA

2009 19 11 02  
MAY 19 2010

IN RE: : VIOLATIONS:  
: :  
HUGH P. DORSEY : 40 P.S. §§ 310.11(1), (13) and (20)  
504 Hamilton Street : :  
Harrisburg, Pennsylvania 17102 : :  
: :  
Respondent. : Docket No. CO09-11-018

CONSENT ORDER

AND NOW, this 19<sup>th</sup> day of MAY, 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, 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 Hugh P. Dorsey, and maintains his address at 504 Hamilton Street, Harrisburg, Pennsylvania 17102.
- (b) Respondent is, and at all times relevant hereto has been a resident insurance producer.
- (c) From 2000 through 2008, Respondent did not file or pay his state personal income tax as required each year.
- (d) Respondent in 2006 filed a renewal application for his producer license and answered a question as “no”, indicating that he was tax compliant when he was not.
- (e) Respondent has two tax liens filed against him with the Dauphin County Prothonotary Office by The Department of Revenue, totaling \$19,192.00 for unpaid personal income tax owed to the same.

- (f) As a matter of resolution, the Respondent is required to make restitution to Department of Revenue and to remain tax compliant.

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) 40 P.S. § 310.11(1) prohibits a licensee or an applicant for a license from providing incorrect, misleading, incomplete or false information to the Department in a license application.
- (c) Respondent's activities described above in paragraph 3(d) violate 40 P.S. § 310.11(1).
- (d) 40 P.S. § 310.11(13) prohibits a licensee or an applicant from failing to pay state income tax or comply with any administrative or court order directing the payment of state income tax.

- (e) Respondent's activities described above in paragraphs 3(c) and 3(e) violate 40 P.S. § 310.11(13).
  
- (f) 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.
  
- (g) Respondent's activities described above in paragraphs 3(c) through 3(e) violate 40 P.S. § 310.11(20).
  
- (h) Respondent's violations of Sections 310.11(1), (13) and (20) are punishable by the following, under 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 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 all taxes and any other amounts due (e.g., penalties and interest, if applicable) to the Department of Revenue within six months of the date of this Order. Respondent shall provide proof to the Insurance Department of full and timely satisfaction of all debts owed to the Department of Revenue within 10 days thereof. Future insurance license applications, including renewals, will not be considered until Respondent has demonstrated to the Department that he is in full compliance with this provision.
  
- (c) 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.

(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.

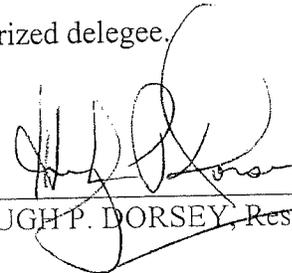
9. Respondent hereby expressly waives any relevant statute of limitations and application of the doctrine of laches for purposes of any enforcement of this Order.

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 delegate 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:

  
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HUGH P. DORSEY, Respondent 5-17-10

  
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COMMONWEALTH OF PENNSYLVANIA

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