

RECEIVED
INSURANCE DEPARTMENT

BEFORE THE INSURANCE COMMISSIONER

OF THE

COMMONWEALTH OF PENNSYLVANIA

2009 FEB 27 PM 12: 21

ADMIN HEARINGS OFFICE

IN RE: : VIOLATIONS:
: :
LELAND-WEST INSURANCE : 40 Purdons Statutes, Sections
BROKERS, INC. : 310.71(b) and 310.74(b)
410 W. Fallbrook Avenue, Suite 213 :
P.O. Box 26420 :
Fresno, CA 93711-6198 :
: :
Respondent. : Docket No. CO08-10-033

CONSENT ORDER

AND NOW, this *27th* day of *February*, 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. Respondent hereby admits and acknowledges that it has received proper notice of its 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 Leland-West Insurance Brokers, Inc., and maintains its address at 410 W. Fallbrook Avenue, Suite 213, P.O. Box 26420, Fresno, California 93711-6198.
- (b) At all relevant times herein, Respondent has held a Non-Resident Agency Producer License number 53567, to conduct the business of insurance in Pennsylvania.
- (c) On or around October 29, 2007, Respondent charged insured Joseph Tucker, a Pennsylvania consumer, a \$42.00 processing fee for the purchase of automobile insurance for his 1986 Porsche.
- (d) On November 26, 2007, Respondent requested American Modern Home Insurance Company to cancel Mr. Tucker's policy effective January 30, 2008, for non-payment of his \$42.00 application fee.
- (e) Since December, 2002, Leland-West Insurance Brokers, Inc. sold more than 80 insurance policies, applying a \$42.00 processing fee to consumers in the

Commonwealth of Pennsylvania.

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 Purdons Statutes, Section 310.71(b) states an insurance producer acting on behalf of an insurance consumer shall execute a written agreement with the insurance consumer prior to acting on their behalf that provides full and complete disclosure of the fee to be paid to the insurance producer by the insurance consumer.
- (c) Respondent's activities described above in paragraphs 3(c) through 3(e) violate 40 Purdons Statutes, Section 310.71(b).
- (d) 40 Purdons Statutes, Section 310.74(b) states no insurance producer shall charge a fee for the completion of an applicaton for a contract of insurance.
- (e) Respondent's activities described above in paragraphs 3(c) through 3(e)

violate 40 Purdons Statutes, Section 310.74(b) .

- (f) Respondent's violations of Section, 310.71(b) and 310.74(b) are 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 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'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 three (3) years from the date of this Order.

- (c) Respondent specifically waives its 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.
- (d) At the hearing referred to in paragraph 5(c) of this Order, Respondent shall have the burden of demonstrating that it is worthy of a license.
- (e) In the event Respondent's certificates and licenses are suspended pursuant to paragraph 5(b) above, and Respondent either fails to request a hearing within thirty (30) days or at the hearing fails to demonstrate that it 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.

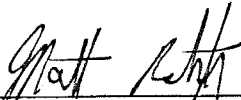
9. Respondent hereby expressly waives any relevant statute of limitations and application of the doctrine of laches for purposes of any enforcement of this Order.

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

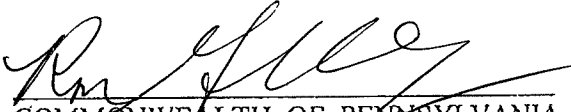
contained herein, and this Consent Order is not effective until executed by the
Insurance Commissioner or a duly authorized delegee.

BY: LELAND-WEST INSURANCE BROKERS,
INC., Respondent

 1/15/09

President / Vice President

Secretary / Treasurer



COMMONWEALTH OF PENNSYLVANIA
By: Ronald A. Gallagher, Jr.
Deputy Insurance Commissioner