

BEFORE THE INSURANCE COMMISSIONER
OF THE
COMMONWEALTH OF PENNSYLVANIA

RECEIVED
PA INSURANCE DEPARTMENT
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ADMIN HEARINGS OFFICE

IN RE:

Lee Son Yom
297 Bethesda Church Road
Holtwood, PA 17532

: VIOLATIONS:
:
: 63 P.S. §§1602, 1605, 1606(3)(13):
: 31 PA Code §§115.2, 115.3, 115.19(3)
:
:
: Docket No. CO05-03-036

SETTLEMENT AGREEMENT

THIS AGREEMENT is made this th25 day of March, 2005 between the Insurance Department of the Commonwealth of Pennsylvania ("Department") and Lee Son Yom.

BACKGROUND

WHEREAS, Lee Son Yom ("Yom") was previously licensed by the Insurance Department as a public adjuster under 63 P.S. §1602, license number 148917 which expired on May 4, 2004.

WHEREAS, Yom applied for a new license on or around July 19, 2004. The Insurance Department denied his application via letter dated October 14, 2004, alleging that Yom had used unapproved public adjuster contracts, forged a contract, and attempted to obtain an illegal fee, in violation of Pennsylvania insurance laws and regulations.

WHEREAS, Yom filed a timely appeal of the Department's denial, asserting that he had not committed any violations of the Pennsylvania insurance laws and that he possesses the requisite competence and trustworthiness to be licensed as a public adjuster.

WHEREAS, the Department believes that Yom's alleged conduct gives rise to a potential enforcement action, that could result in monetary penalties, and a finding of unworthiness for licensure as a public adjuster.

WHEREAS, the disputes between the Department and Yom have resulted in litigation in the Administrative Hearings Office. In an effort to settle the disputes arising out of this case, the parties hereto have agreed to settle, inter alia, all claims asserted in the litigation previously described and all claims which the Department, on the one hand, and Yom, on the other hand, have against each other, arising out of, or in any way related to the above-captioned license denial appeal and allegations therein, all subject to, and on the terms and conditions hereinafter set forth.

AGREEMENTS

NOW THEREFORE, the parties hereto, intending to be legally bound, hereby agree:

1. Yom shall cease and desist any unlawful activities and, further, he shall not apply for a public adjuster license for a period of one year from the date of lapse of his prior license (i.e., he may not reapply before May 5, 2005). Thereafter, should he apply for licensure,

neither the fact of the current license denial, nor the alleged factual bases for denial thereof, may be considered by the Department in relation to any future license application. Nothing in this agreement constitutes a waiver on the Department's part that Yom must otherwise satisfy all prerequisites under Pennsylvania law as a condition of licensure, should he apply for such in the future.

2. This agreement is made solely for the purpose of resolving the differences between the parties addressed herein, and nothing in this Agreement shall be construed as, or constitutes an admission of, liability by any party hereto or an admission of the validity or enforceability of any claims or demands released hereby.

3. Respondent shall not engage in the actions described as insurance law violations listed above.

4. Respondent may reapply for licensure on or after May 4, 2005, subject to his fulfillment of 63 P.S. §1602 and any other applicable statutes and regulations.

5. Should Respondent become relicensed pursuant to paragraph 4, Respondent's license(s)/certificate(s) may be immediately suspended by the Department following its investigation and determination that: (i) any term of this Settlement Agreement has 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 provision is limited to a period of three years from the date of issuance of such license and certificate.

6. 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 request of Respondent's written request.

7. At the hearing referred to in paragraph 6 of this Order, Respondent shall have the burden of demonstrating that he is worthy of a public adjuster license.

8. In the event Respondent's license(s)/certificate(s) are suspended pursuant to paragraph 5 above, and the 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 license(s)/certificates shall be revoked.

9. In the event the Deputy Insurance Commissioner finds that there has been a breach of any of the provisions of this Agreement, he may, in his discretion, pursue any and all legal remedies available to him, including but not limited to the following: The Deputy Insurance Commissioner may enforce the provisions of this Agreement in the Commonwealth Court of Pennsylvania or in any other court of law or equity having jurisdiction; or the Deputy Insurance Commissioner may enforce the provisions of this Agreement in an administrative action pursuant to the Administrative Agency Law, supra, or other relevant provisions of law.

10. Alternatively, in the event the Deputy Commissioner finds that there has been a breach of any of the provisions of this Agreement the Deputy Commissioner may declare this Agreement to be null and void and, thereupon, reopen the entire matter for appropriate action pursuant to the Administrative Agency Law, supra, or other relevant provisions of law.

11. In any such enforcement proceeding, Respondent may contest whether a breach of the provisions of this Agreement has occurred but may not contest the terms of the Agreement.

12. For and in consideration of Yom's release and discharge of the Pennsylvania Insurance Department from any action, claim or demand arising out of the above-captioned case, the Pennsylvania Insurance Department hereby releases and discharges Yom from any claims in any court or any agency which the Pennsylvania Insurance Department has or may have as a result of the allegations made. It is agreed and understood that the aforementioned release and discharge include all costs and attorneys' fees arising out of this action.

13. For and in consideration of the Pennsylvania Insurance Department's release and discharge of Yom from any action, claim or demand arising out of this case, Yom hereby releases and discharges the Pennsylvania Insurance Department from any claims in any court or agency which it has or may have as a result of the allegations made in the license application denial letter.

14. Miscellaneous.

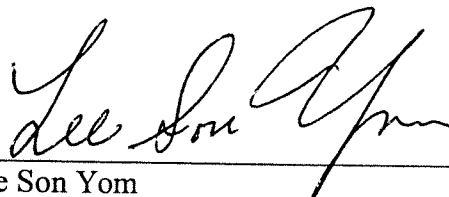
(A) Captions and Section headings. Captions used herein are for convenience only, and are not a part hereof, and shall not be used in construing this Agreement.

(B) Binding Effect. This Agreement shall be binding upon, and inure to the benefit of, the parties hereto and their respective successors and assigns, and, in addition hereto, shall be binding upon any receiver, liquidator, rehabilitator, conservator, supervisor and any other person or entity governmental or non-governmental, exercising or seeking to exercise the powers of the persons named above.

(C) Governing Law. This Agreement shall be governed by, and construed in accordance with the laws of the Commonwealth of Pennsylvania.

(D) Integration. This Agreement contains the entire agreement of the parties respecting the subject matter herein and supersedes all previous communications, representations, or agreements, either verbal or written, among the parties.

Executed this day and year first above written.

By: 

Lee Son Yom
Respondent

INSURANCE DEPARTMENT OF THE
COMMONWEALTH OF PENNSYLVANIA

By: 

Randolph L. Rohrbaugh
Deputy Insurance Commissioner