



BEFORE THE INSURANCE COMMISSIONER
OF THE
COMMONWEALTH OF PENNSYLVANIA

IN RE:

DOUGLAS LAZARO
37 Stonehurst Blvd.
Freehold, NJ 07728

VIOLATIONS:

40 P.S. §§ 310.5(b), 310.11(1)
(11), (20) and 310.78

Respondent.

Docket No. CO18-01-004

CONSENT ORDER

AND NOW, this *6th* day of *March*, *2018*, 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 Douglas Lazaro, and maintains his address at 37 Stonehurst Blvd., Freehold, NJ 07728.
- (b) Respondent is, and at all times relevant hereto has been, a licensed non-resident insurance producer.
- (c) Respondent had the following administrative actions taken against him in other jurisdictions:
 - July 22, 2013, Virginia, License Voluntarily Surrendered- Misrepresentation of Insurance Product/Policy;
 - February 10, 2014, South Dakota, License Revoked-Third Party Information, Failure to Respond, Failure to Notify Department of Address Change; Failure to Maintain Books and Records;
 - October 24, 2014, Missouri, Monetary Penalty-Failure to Make Required Disclosure on License App; Failure to Report Other State Action;
 - January 9, 2015, Delaware, License Revoked- Other States Action; Failure to Report other States Action;

- March 21, 2016, North Carolina, License Revoked-Complaint Investigation; Failure to Report Other State Action;
- May 15, 2016, California, License Revoked-Other States Action
- July 20, 2016, Louisiana, Monetary Penalty-Failure to Report Other State Action;
- October 16, 2016, Ohio, License Surrendered- Misstatement on Application.

- (d) Respondent failed to report the aforementioned administrative actions to the Department within 30 days of the final dispositions.
- (e) Respondent provided false information on license renewal application forms he submitted on November 26, 2012; October 8, 2014; and September 26, 2016, by answering “no” to the question asking if he had been party in an administrative proceeding regarding any professional or occupational license or registration, to include having a license censured, suspended, revoked, or being assessed a fine, placed on probation, sanctioned, or surrendering a license to resolve an administrative action.
- (f) Between 2015 and 2016, Respondent knowingly accepted personal health insurance business which was sold, solicited, or negotiated by an unlicensed employee of Respondent on at least three occasions.

- (g) Respondent maintains a business entity known as Heritage Health Group, LLC, which was filed as a Domestic Limited Liability Company in New Jersey on June 24, 2014, with an address as that of the Respondent, 37 Stonehurst Blvd., Freehold, New Jersey, 07728.
- (h) Respondent did not apply for a business entity license for Heritage Health Group, LLC. In 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 P.S. § 310.5(b) requires a business entity that does not have an office in this Commonwealth to apply for a non-resident insurance producer license.
- (c) Respondent's activities described above in paragraphs 3(g) and 3(h) violate 40 P.S. § 310.5(b).

- (d) 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.
- (e) Respondent's activities described above in paragraph 3(e) violate 40 P.S. § 310.11(1).
- (f) 40 P.S. § 310.11(11) prohibits a licensee or an applicant from knowingly accepting insurance business which was sold, solicited or negotiated by a person who is not licensed as an insurance producer.
- (g) Respondent's activities described above in paragraph 3(f) violate 40 P.S. § 310.11(11).
- (h) 40 P.S. § 310.11(20) prohibits a licensee or an applicant from demonstrating a lack of general fitness, competence or reliability sufficient to satisfy the Department that the licensee is worthy of licensure.
- (i) Respondent's activities described above in paragraphs 3(c) through 3(h) violate 40 P.S. § 310.11(20).
- (j) 40 P.S. § 310.78(a) requires a licensee to report any administrative action taken in another jurisdiction or by another governmental agency within

30 days of the final disposition, to include a copy of the order, consent order or other relevant legal documents.

- (k) Respondent's activities described above in paragraphs 3(c) and 3(d) violate
40 P.S. § 310.78(a).

- (l) Respondent's violations of §§ 310.5(b), 310.11(1), (11), (20) and 310.78(a) are punishable by the following, under 40 P.S. § 310.91:
 - (i) suspension, revocation or refusal to issue the 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) All licenses of Respondent to do the business of insurance are hereby revoked.
- (c) If Respondent should ever become licensed in the future, his 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 issuance of such 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 5(d) of this Order, Respondent shall have the burden of demonstrating that he is worthy of an insurance license.

(f) In the event Respondent's 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 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 provisions 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 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 duly authorized delegee.

BY:



DOUGLAS LAZARO, Respondent



COMMONWEALTH OF PENNSYLVANIA
By: CHRISTOPHER R. MONAHAN
Deputy Insurance Commissioner

BEFORE THE INSURANCE COMMISSIONER
OF THE
COMMONWEALTH OF PENNSYLVANIA

IN RE: The Act of April 9, 1929, P.L. 177, No. 175, Known as The
Administrative Code of 1929

AND NOW, this 22nd day of August, 2017, Christopher R. Monahan,
Deputy Insurance Commissioner, is hereby designated as the Commissioner's duly
authorized representative for purposes of entering in and executing Consent Orders. This
delegation of authority shall continue in effect until otherwise terminated by a later Order
of the Insurance Commissioner.



Jessica K. Altman
Acting Insurance Commissioner

