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INSURANCE DEPARTMENT
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ADMIN HEARINGS OFFICE

BEFORE THE INSURANCE COMMISSIONER
OF THE
COMMONWEALTH OF PENNSYLVANIA

IN RE:	:	VIOLATIONS:
	:	
CEDRIC NIPPER	:	40 P.S. §§310.11(2), (6), (7), (17)
P.O. Box 90332	:	(20) and 1171.5(a)(12)
Allentown, PA 18109	:	
	:	
and	:	
	:	
CJC INSURANCE AGENCY, LLC	:	
1610 W. Allen Street	:	
Allentown, PA 18102	:	
	:	
Respondents.	:	Docket No. CO16-12-013

CONSENT ORDER

AND NOW, this 7th day of February, 2017, 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. Respondents hereby admit and acknowledge that they have received proper notice of their rights to a formal administrative hearing pursuant to the Administrative Agency Law, 2 Pa. C.S.A. §101, et seq., or other applicable law.

2. Respondents hereby waive all rights to a formal administrative hearing in this matter, and agree 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 Cedric Nipper, and maintains his address at P.O. Box 90332, Allentown, PA 18109.
- (b) Co-Respondent is CJC Insurance Agency, LLC, and maintains its address at P.O. Box 90332, Allentown, PA 18109.
- (c) Respondent is and at all times relevant hereto has been a licensed resident producer.
- (d) Co-Respondent is and at all times relevant hereto has been a resident producer agency.
- (e) Respondent, Cedric Nipper is owner of Co-Respondent, CJC Insurance Agency, LLC and is and has been its Qualifying Active Officer at all times relevant herein.

- (f) Respondent applied homeowner and insurance transfer discounts to at least one hundred and thirty-four (134) policies between July 9, 2016 and October 19, 2016 which did not qualify for such discounts in order to offer lower insurance rates.
- (g) Respondent issued forty-seven (47) policies between July 9, 2016 and October 19, 2016 to insureds identifying that they held a foreign-issued driver's license when in fact they held a PA photo ID or driver's license in order to offer lower insurance rates.
- (h) Respondent issued fifty-three (53) policies between July 9, 2016 and October 19, 2016 to unlicensed drivers listing them as having valid driver's licenses.
- (i) Respondents actions above violate a Consent Order, Docket No. CW11-01-019, issued on February 25, 2011.

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) Respondents are subject to the jurisdiction of the Pennsylvania Insurance Department.

- (b) 40 P.S. §310.11(2) prohibits a licensee or an applicant from violating the insurance laws or regulations of this Commonwealth or a subpoena or order of the commissioner or of another state's insurance commissioner.
- (c) Respondent's activities described above in paragraphs 3(f) through 3(i) violate 40 P.S. §310.11(2).
- (d) 40 P.S. §310.11(6) prohibits a licensee or an applicant from committing any unfair insurance practice or fraud.
- (e) Respondents' activities described above in paragraphs 3(f) through 3(h) violate 40 P.S. §310.11(6).
- (f) 40 P.S. §310.11(7) prohibits a licensee or an applicant from using fraudulent, coercive or dishonest practices or demonstrating incompetence, untrustworthiness or financial irresponsibility in the conduct of doing business.
- (g) Respondents' activities described above in paragraphs 3(f) through 3(i) violate 40 P.S. §310.11(7).
- (h) 40 P.S. §310.11(17) prohibits a licensee or an applicant from committing fraud, forgery, dishonest acts or an act involving a breach of fiduciary duty.

- (i) Respondents' activities described above in paragraphs 3(f) through 3(h) violate 40 P.S. §310.11(17).

- (j) 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.

- (k) Respondents' activities described above in paragraphs 3(f) through 3(i) violate 40 P.S. §310.11(20).

- (l) Respondents' violations of Sections 310.11(2), (6), (7), (17) and (20) are punishable by the following, under 40 Purdons Statutes, Section 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.

- (m) 40 P.S. §1171.5(a)(12) prohibits agents from making false or fraudulent statements or representations on or relative to an application for an insurance policy.

- (n) Respondent's activities described above in paragraphs 3(f) through 3(h) constitute making false or fraudulent statements or representations on or relative to an application for an insurance policy and violate 40 P.S. §1171.5(a)(12).
- (o) Respondent's violations of 40 P. S. §1171.5(a)(12), are punishable by the following, under 40 Purdons Statutes, Sections 1171.8, 1171.9, and 1171.11:
- (i) an order requiring Respondent to cease and desist from engaging in such violation and/or, if such violation is a method of competition, act or practice defined in Section 5 of this Act, suspension or revocation of Respondent's license(s);
 - (ii) commencement of an action against Respondent for the following civil penalties:
 - (1) for each method of competition, act or practice defined in Section 5 and in violation of the Act which Respondent knew or reasonably should have known was such a violation, a penalty of not more than five thousand dollars (\$5,000.00) for each violation, not to exceed an aggregate penalty of fifty thousand dollars (\$50,000.00) in any six month period;

- (2) for each method of competition, act or practice defined in Section 5 and in violation of this Act which Respondent did not know nor reasonably should have known was such a violation, a penalty of not more than one thousand dollars (\$1,000.00) for each violation, not to exceed an aggregate penalty of ten thousand dollars (\$10,000.00) in any six month period;
- (3) for each violation of an Order issued by the Commissioner pursuant to Section 9 of the Act, while such Order is in effect, a penalty of not more than ten thousand dollars (\$10,000.00).

ORDER

5. In accord with the above Findings of Fact and Conclusions of Law, the Insurance Department orders and Respondents consent to the following:

- (a) Respondents 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 and Co-Respondent to do the business of insurance are hereby revoked.

- (c) If Respondents should ever become licensed in the future, their 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 Respondents 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) Respondents specifically waive their 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 Respondents 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 Respondents' written request.

- (e) At the hearing referred to in paragraph 5(d) of this Order, Respondents shall have the burden of demonstrating that they are worthy of insurance licenses.

- (f) In the event Respondents' licenses are suspended pursuant to paragraph 5(c) above, and Respondents either fails to request a hearing within thirty (30) days or at the hearing fails to demonstrate that they are worthy of a license, Respondents' 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, it may, in its discretion, pursue any and all legal remedies available, including but not limited to the following: The Insurance Department may enforce the provisions of this Order in the Commonwealth Court of Pennsylvania or in any other court of law or equity having jurisdiction; or 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.

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.

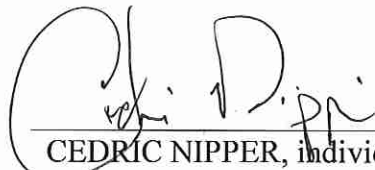
8. In any such enforcement proceeding, Respondents may contest whether a breach of the provisions of this Order has occurred but may not contest the Findings of Fact and Conclusions of Law contained herein.

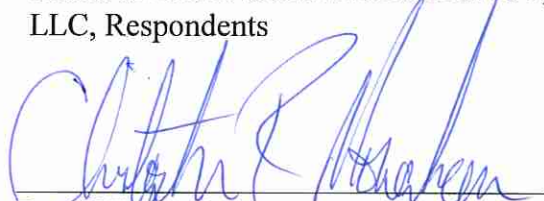
9. Respondents hereby expressly waives any relevant statute of limitations and application of the doctrine of laches for purposes of any enforcement of this Order.

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 the duly authorized delegee is authorized to bind the Insurance Department with respect to the settlement of the alleged violation of law contained herein, and this Consent Order is not effective until executed by the Insurance Department or a duly authorized delegee.

BY:


CEDRIC NIPPER, individually and on
behalf of CJC INSURANCE AGENCY,
LLC, Respondents


By: CHRISTOPHER R. MONAHAN
Deputy Insurance Commissioner
Commonwealth of Pennsylvania

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 13th day of November, 2015, 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.



Teresa D. Miller
Insurance Commissioner

