

BEFORE THE INSURANCE COMMISSIONER
OF THE
COMMONWEALTH OF PENNSYLVANIA

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ADMINISTRATIVE HEARINGS OFFICE

IN RE:	:	VIOLATIONS:
	:	
ARY GASPARYAN	:	40 P.S. §§ 310.11(1), (13) and (20)
13032 Bustleton Avenue, Ste F	:	
Philadelphia, PA 19116-1652	:	
	:	
Respondent.	:	Docket No. CO15-11-009

CONSENT ORDER

AND NOW, this 2nd day of June, 2016, 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.

3. Without admitting the allegations of fact and conclusions of law contained herein, Respondent specifically denies that he violated any law or regulation of the Commonwealth.

FINDINGS OF FACT

4. The Insurance Department finds true and correct each of the following Findings of Fact:

(a) Respondent is Ary Gasparyan and maintains his business address at 13032 Bustleton Avenue, Suite F, Philadelphia, Pennsylvania 19116-1652.

(b) Respondent is, and at all times relevant hereto, was licensed as a resident insurance producer, license number 480227, which is scheduled to expire on October 31, 2017.

(c) As a result of his failure to pay personal income tax due to the Commonwealth of Pennsylvania for tax years 2009 through 2013, Respondent has entered into a Deferred Payment Plan Agreement ("Agreement") with the Pennsylvania Department of Revenue for taxes owed in those years.

(d) Respondent asserts that, until 2014, he was unaware of his delinquent tax obligations.

(e) Respondent attested on his 2009, 2011, and 2013 individual insurance producer license renewal applications filed with the Department that he did not fail to pay his state income taxes, but asserts that he had no specific knowledge of his delinquent tax obligations.

CONCLUSIONS OF LAW

5. 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) Pursuant to 40 P.S. § 310.11(13), it is a prohibited act for a licensee of the Department to “fail to pay State income tax or comply with any administrative or court order directing the payment of State income tax.”
- (c) Respondent’s failure to pay State income tax in 2009 through 2013 violates 40 P.S. § 310.11(13).
- (d) Pursuant to 40 P.S. § 310.11(1), a licensee shall not “[p]rovide incorrect, misleading, incorrect or false information to the department in a license application.”

- (e) Respondent's provision of false information to the Department concerning tax compliance on his 2009, 2011, and 2013 producer license renewal applications violates 40 P.S. § 310.11(1).

- (f) Pursuant to 40 P.S. § 310.11(20), a licensee shall not "[d]emonstrate 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 herein violate 40 P.S. § 310.11(20).

- (h) Respondent's violations of 40 P.S. §§ 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 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

6. 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 agrees that he shall remain compliant with the Deferred Payment Plan Agreement that he has entered into with the Pennsylvania Department of Revenue until such time that all obligations arising out of that Agreement have been satisfied to the satisfaction of the Pennsylvania Department of Revenue.
- (c) Respondent's producer license 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 the later of the following period of time: (i) five (5) years from the date of this Consent Order; or (ii) until such time that all obligations arising out of Respondent's Agreement with the Pennsylvania Department of Revenue have been satisfied. During such period of time, Respondent shall advise the Pennsylvania Insurance Department in writing of any change in employment within fifteen (15) days of any such change.

- (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.

7. 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.

8. 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.

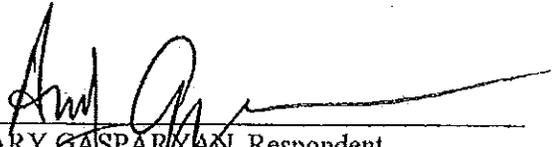
9. In any such enforcement proceeding, Respondent may contest whether a breach of the provisions of this Order has occurred and Conclusions of Law, but may not contest the Findings of Fact contained herein.

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

11. 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.

12. 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:


ARTY GASPARYAN, Respondent


COMMONWEALTH OF PENNSYLVANIA

By: CHRISTOPHER R. MONAHAN
Acting Deputy Insurance Commissioner