

INSURANCE DEPARTMENT  
2015 APR 21 AM 11:05  
ADMIN HEARINGS OFFICE

BEFORE THE INSURANCE COMMISSIONER  
OF THE  
COMMONWEALTH OF PENNSYLVANIA

IN RE:	:	VIOLATIONS:
	:	
JASON C. WEIGAND	:	40 P.S. §§310.11(4), (5), (7)
300 Herington Drive	:	(9), (17) and (20)
Reading, PA 19608	:	
	:	
Respondent.	:	Docket No. CO15-02-007

CONSENT ORDER

AND NOW, this 21<sup>st</sup> day of April, 2015, 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 it 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 Jason C. Weigand, and maintains his address at 300 Herington Drive, Reading, PA 19608.
- (b) Respondent is, and at all times relevant hereto has been, a licensed insurance producer.
- (c) Respondent routinely used Nations First Financial Group as an entity for the processing of insurance business subsequent to its license expiring on October 22, 2009.
- (d) Between 2003 and 2013, Respondent procured 25 insurance policies from eight insurers for at least three insureds using applications with

misrepresentations and misappropriated premiums and proceeds of the insurance policies.

- (e) Respondent represented to the three insureds that the money he received would be placed into investment and securities products whereas he purchased insurance policies, primarily annuities.
- (f) The insureds affirmed that they had no knowledge of the insurance policies being procured by the Respondent and that the associated documents, including applications for insurance policies, requests for the disbursement of funds from the policies and policy delivery receipts contained more than 100 non-genuine signatures.
- (g) On approximately 20 occasions, Respondent made telephone contact with an insurer and represented himself as the insured and presented false information, including the creation of verbal passwords, in order to conduct financial transactions, in the name of the insured.
- (h) The insured affiliated with the policies of the aforementioned telephone calls denied that she had made the telephone calls and that the calls were made without her knowledge or consent.

- (i) On more than 100 occasions between 2003 and 2013, Respondent submitted applications for insurance and other insurance documents to insurers that contained misrepresentations, including incorrect policyholder addresses and telephone numbers, financial asset/liability statements, email addresses and passwords, as well as mailing addresses to his business address for Nations First Financial Group.
  
- (j) The insureds associated with the aforementioned misrepresentations stated the information was provided to the insurers by the Respondent without their knowledge or consent.
  
- (k) On more than 44 occasions, Respondent submitted documents to the insurers in the name of the insureds that generated financial transactions of the policies, including disbursements, withdrawals and surrenders of the policy proceeds in excess of \$450,000.
  
- (l) The total funds and disposition of the funds by the Respondent associated with the aforementioned financial transactions could not be assessed.
  
- (m) The insureds affirmed that the proceeds of the aforementioned financial transactions were not received by them and were done without their knowledge or consent.

- (n) Respondent provided irregular financial status statements to insureds that were not issued by the respective insurers and reflected the incorrect status of the policies.
- (o) The specific financial impact upon insureds could not be assessed.
- (p) On July 15, 2014, Respondent was interviewed but declined to provide information pertinent to the allegations, other than acknowledging that on one occasion he contacted an insurer and represented himself to be an insured. Respondent declined to provide further assistance.

#### 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) 40 P.S. §310.11(4) prohibits producers from improperly withholding, misappropriating, or converting money or property received in the course of doing business.

- (c) Respondent's activities described above in paragraph 4(k) constitute improperly withholding, misappropriating, or converting money or property received in the course of doing business, in violation of 40 P.S. §310.11(4).
  
- (d) 40 P.S. §310.11(5) prohibits a licensee or an applicant from intentionally misrepresenting the terms of an actual or proposed insurance contract or application for insurance.
  
- (e) Respondent's activities described above in paragraphs 4(d) through 4(n) violate 40 P.S. §310.11(5).
  
- (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) Respondent's activities described above in paragraphs 4(d) through 4(n) violate 40 P.S. §310.11(7).
  
- (h) 40 P.S. §310.11(9) prohibits a licensee or an applicant from forging another person's name on an insurance application or any document related to an insurance or financial service transaction.

- (i) Respondent's activities described above in paragraphs 4(f) violate 40 P.S. §310.11(9).
- (j) 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.
- (k) Respondent's activities described above in paragraphs 4(d) through 4(n) violate 40 P.S. §310.11(17).
- (l) 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.
- (m) Respondent's activities described above in paragraphs 4(d) through 4(p) violate 40 P.S. §310.11(20).
- (n) Respondent's violations of Sections 310.11(4), (5), (7), (9), (17) 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) All licenses of Respondent to do the business of insurance are hereby revoked.
- (c) Future license applications will not be considered until restitution is made. Proof of restitution payment shall be provided to the Insurance Department by Respondent.
- (d) 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.
- (e) 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.
- (f) At the hearing referred to in paragraph 6(e) of this Order, Respondent shall have the burden of demonstrating that he is worthy of an insurance license.
- (g) In the event Respondent's licenses are suspended pursuant to paragraph 6(d) 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 but may not contest the Findings of Fact and Conclusions of Law 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.

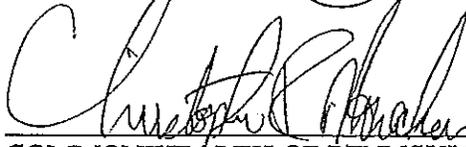
11. This Order constitutes the entire agreement of the parties with respect to the matters referred to herein, and it may not be amended or modified except by an amended order signed by all the parties hereto.

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:



JASON C. WEIGAND, Respondent



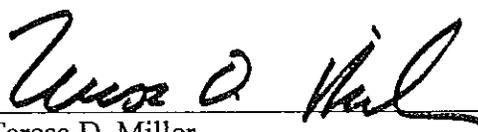
COMMONWEALTH OF PENNSYLVANIA

By: Christopher R. Mavahan  
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 7<sup>th</sup> day of April, 2015, Christopher R. Monahan,  
Acting 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  
Acting Insurance Commissioner

