

BEFORE THE INSURANCE COMMISSIONER
OF THE
COMMONWEALTH OF PENNSYLVANIA

2015 MAR -3 AM 11:31

ADMIN HEARINGS OFFICE

IN RE:	:	VIOLATIONS:
	:	
EDWARD R. BRZEZOWSKI, JR.	:	40 P.S. §§310.11(2), (20)
602 Jeffers Circle, Suite 108	:	and 991.1621(d.1)(1)
Exton, PA 19341	:	
	:	
Respondent.	:	Docket No. CO15-01-020

CONSENT ORDER

AND NOW, this 3rd day of MARCH, 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.

FINDINGS OF FACT

3. The Insurance Department finds true and correct each of the following

Findings of Fact:

- (a) Respondent is Edward R. Brzezowski, Jr., and maintains his address at 602 Jeffers Circle, Suite 108, Exton, PA 19341.
- (b) Respondent is, and at all times relevant hereto has been, a licensed insurance producer.
- (c) Respondent did not file outstanding affidavits, endorsements, 1620 monthly reports and copies of the RCT-123 annual tax reports to the Pennsylvania Surplus Lines Association (PSLA) for a number of years dating back to 2002.
- (d) From 2008 through 2013, the PSLA repeatedly made attempts to contact Respondent regarding these issues to no avail.
- (e) Between March 10, 2014 and March 14, 2014, Respondent contacted the PSLA and agreed to rectify the problems identified by the PSLA.

- (f) On July 2, 2014, the PSLA reported the Respondent was still outstanding on items, specifically; the 2005 individual filing(s) were missing and the 2004 RCT123 were not filed.
- (g) On November 18, 2014, Respondent was interviewed and accepted full responsibility for failing to submit monthly or annual filings with the PSLA.

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. §310.11(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(c) through 3(g) violate 40 P.S. §310.11(2).

- (d) 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.
- (e) Respondent's activities described above in paragraphs 3(c) and 3(g) violate 40 P.S. §310.11(20).
- (f) Respondent's violations of Sections 310.11(2) 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.
- (g) 40 P.S. §991.1621(d.1)(1) requires each surplus lines licensee shall, on or before January 31 of each year, file a report of all premiums transacted from the placement of insurance with either an eligible surplus lines insurer or other nonadmitted insurers during the previous calendar year. The report shall be filed as prescribed by the Department of Revenue with any payment.

A full copy of the report shall be filed with the Department by the surplus lines licensee.

- (h) Respondent's activities described above in paragraph 3(c) constitute failure to collect and remit the required three percent surplus lines premium tax, and violate 40 P.S. §991.1621(d.1)(1).

- (i) Respondent's violations of 40 Purdons Statutes, Section 991.1621(d.1)(1) are punishable by the following, under 40 Purdons Statutes, Sections 991.1623 and 991.1625:
 - (i) suspension, revocation or refusal to renew the surplus lines license,
 - (ii) imposition of a penalty not exceeding \$1,000 for the first offense and \$2,000 for each succeeding offense, and
 - (iii) imposition of a penalty that may be assessed under the Unfair Insurance Practices Act of July 22, 1974, P.L. 589, No. 205, or any other applicable statute

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) Respondent shall pay a civil penalty of One Thousand Dollars (\$1,000.00) to the Commonwealth of Pennsylvania. Payment of this penalty shall be made by certified check or money order, payable to the Commonwealth of Pennsylvania. Payment should be directed to Bureau of Licensing and Enforcement, 1227 Strawberry Square, Harrisburg, Pennsylvania 17120. Payment may be enclosed with the Consent Order, but must be paid in any event no later than fourteen (14) days after the date of the Consent Order.
- (c) Respondent's 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 confirmed 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 this Order.
- (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 a 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 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.

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, 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.

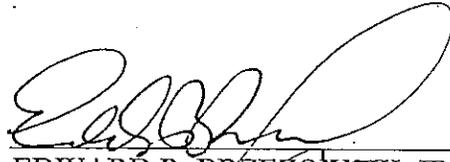
9. Respondent hereby expressly waives any relevant statute of limitations and application of the doctrine of laches for purposes of any enforcement of this Order.

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.

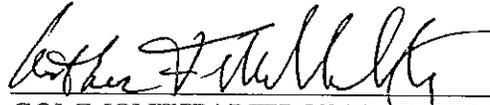
11. This Order shall be final upon execution by the Insurance Department. Only the Insurance Commissioner or a duly authorized delegee is authorized to bind the Insurance Department with respect to the settlement of the alleged violations of law

contained herein, and this Consent Order is not effective until executed by the
Insurance Commissioner or a duly authorized delegee.

BY:



EDWARD R. BRZEZOWSKI, JR, Respondent



COMMONWEALTH OF PENNSYLVANIA

By: ARTHUR F. MCNULTY

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 21st day of Jan, 2015, Arthur F. McNulty,
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

