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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:
	:	
FRANK C. STEWART d/b/a	:	40 P.S. §§310.11(4), (6), (7)
BEST INSURANCE AND	:	(14), (17) and (20)
FINANCIAL GROUP, INC.	:	
200 Maranatha Lane	:	
P.O. Box 282	:	
Ramey, PA 16671-0282	:	
	:	
	:	
Respondent.	:	Docket No. CO14-12-002

CONSENT ORDER

AND NOW, this 26th day of January, 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. 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. §101, et seq., or other applicable law.

2. Respondents hereby waive 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 Frank C. Stewart, and maintains his address at 200 Maranatha Lane, P.O. Box 282, Ramey, PA 16671-0282.
- (b) Co-Respondent is Best Insurance and Financial Group, Inc. and maintains its address at 200 Maranatha Lane, P.O. Box 282, Ramey, PA 16671-0282.
- (c) Respondent is, and at all times relevant hereto has been, a licensed resident insurance producer.
- (d) Co-Respondent is, and at all times relevant hereto has been, a licensed resident producer agency.

- (e) Respondent was arrested in July 2013 by the PA State Police and charged with six (6) counts of Forgery and four (4) counts of Theft and Receiving Stolen Property.
- (f) Respondent failed to notify the Department of his July 2013 arrest.
- (g) Respondent was found guilty of one (1) felony count of Theft by Deception and one (1) felony count of Theft by Unlawful Taking in September 2014.
- (h) Respondent was arrested in January 2014 by the PA State Police and charged with one (1) felony count of Receiving Stolen Property.
- (i) Respondent failed to notify the Department of his January 2014 arrest.
- (j) Respondent was found guilty in October 2014 of one (1) felony count of Theft.
- (k) Respondent is currently incarcerated at the Clearfield County prison as a result of the criminal convictions.

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(4) prohibits producers from improperly withholding, misappropriating, or converting money or property received in the course of doing business.
- (c) Respondents' activities described above in paragraphs 3(g) through 3(j) 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(6) prohibits a licensee or an applicant from committing any unfair insurance practice or fraud.
- (e) Respondents' activities described above in paragraphs 3(e) through 3(k) 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(e) through 3(k) violate 40 P.S. §310.11(7).
- (h) 40 P.S. §310.11(14) prohibits a licensee or an applicant from committing a felony or its equivalent.
- (i) Respondents' activities described above in paragraphs 3(g) and 3(j) violate 40 P.S. §310.11(14).
- (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) Respondents' activities described above in paragraphs 3(g) and 3(j) 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) Respondents' activities described above in paragraphs 3(e) through 3(k) violate 40 P.S. §310.11(20).

- (n) Respondents' violations of Sections 310.11(4), (6), (7), (14), (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

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 Respondents to do the business of insurance are hereby
revoked.
- (c) Respondents shall make restitution to such persons the Deputy Commissioner
identifies and determines that restitution is owed to them by Respondent.
Proof of restitution payment shall be provided to the Insurance Department by
Respondent. Future license applications will not be considered until restitution
has been made.
- (d) Future license applications, if any, will require a 1033 Waiver, pursuant to the
Violent Crime Control and Law Enforcement Act, 18 U.S.C. Sections 1033 and
1034.
- (e) 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 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.
- (f) Respondents specifically waives 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.

(g) At the hearing referred to in paragraph 5(f) of this Order, Respondents shall have the burden of demonstrating that they are worthy of an insurance license.

(h) In the event Respondents' licenses are suspended pursuant to paragraph 5(e) 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, 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, 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 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: 

FRANK C. STEWART d/b/a,
BEST INSURANCE AND
FINANCIAL GROUP, INC. 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

