

BEFORE THE INSURANCE COMMISSIONER  
OF THE  
COMMONWEALTH OF PENNSYLVANIA

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ADMINISTRATIVE OFFICE

IN RE: : VIOLATIONS:  
: :  
MELANIE LEE BEASOM : 40 P.S. §§ 310.11(4), (7), (17) and (20)  
1839 Spring Ridge Lane : :  
Lancaster, Pennsylvania 17603 : :  
: :  
and : :  
: :  
RHINO SETTLEMENT SERVICES, INC. : :  
1853 William Penn Way : :  
Lancaster, Pennsylvania 17601 : :  
: :  
Respondents. : Docket No. CO09-12-020

CONSENT ORDER

AND NOW, this *15<sup>th</sup>* day of *February*, 2009, 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 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 Melanie Lee Beasom, and maintains her address at 1839 Spring Ridge Lane, Lancaster, Pennsylvania 17603.
- (b) Respondent is, and at all times relevant hereto has been, a resident title agent in Pennsylvania, license # 425335.
- (c) Co-Respondent is Rhino Settlement Services, Incorporated, and maintained its address at 1853 William Penn Way, Lancaster, Pennsylvania 17601.
- (d) Co-Respondent Rhino was a licensed resident title agency from March 11, 2005 to August 25, 2009, at which time its license was suspended for non-compliance by the Pennsylvania Insurance Department.
- (e) Respondent Beasom was the designated licensee of Co-Respondent.

- (f) Respondents, in 2009, collected \$312,180.11 from two clients related to mortgage payoff and did not remit the funds as intended.
- (g) Respondents admitted to Chicago Title Insurance Company their failure to remit the \$312,180.11 collected from the two clients.
- (h) Chicago Title Insurance Company made the two clients whole.
- (i) Respondents agreed to revocation of the resident title agent licenses via Consent Order.

#### 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(f) and 3(g) 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(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.
- (e) Respondents' activities described above in paragraphs 3(f) and 3(g) violates 40 P.S. § 310.11(7).
- (f) 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.
- (g) Respondents' activities described above in paragraphs 3(f) and 3(g) violate 40 P.S. § 310.11(17).

- (h) 40 P. S. § 310.11(20) prohibits a licensee from demonstrating a lack of general fitness, competence or reliability sufficient to satisfy the Department that the licensee is worthy of licensure.
- (i) Respondents' activities described above in paragraphs 3(f) and 3(g) violate 40 P.S. § 310.11(20).
- (j) Respondents' violations of Sections 310.11(4), (7), (17) and (20) are punishable by the following, under 40 P.S. § 310.91:
  - (i) suspension, revocation or refusal to issue the certificate of qualification or 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/certificates of Respondents to do the business of insurance are hereby revoked.
- (c) Respondents will assist to the best of their ability the Pennsylvania Insurance Department in conducting investigations and prosecution of any licensed or unlicensed entity performing the business of insurance including, but not limited to, any public adjuster, insurance producer, company, etc., their employees and officers, including but not limited to testifying as a witness relative to any of the aforesaid entities, their employees and officers in any civil or administrative action involving same.
- (d) If Respondents should ever become licensed in the future, the certificates and 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 certificates and licenses.

(e) Respondents specifically waives the 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.

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

(g) In the event Respondents' certificates and licenses are suspended pursuant to paragraph 5(d) above, and Respondents either fail to request a hearing within thirty (30) days or at the hearing fail to demonstrate that they are worthy of a certificate and license, Respondent's suspended certificates and 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 waive 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: Melanie Lee Beasom  
MELANIE LEE BEASOM, individually, and  
on behalf of RHINO SETTLEMENT  
SERVICES, INC., Respondents

Ronald A. Gallagher, Jr.  
COMMONWEALTH OF PENNSYLVANIA  
By: Ronald A. Gallagher, Jr.  
Deputy Insurance Commissioner