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INSURANCE DEPARTMENT

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HEARINGS OFFICE

BEFORE THE INSURANCE COMMISSIONER
OF THE
COMMONWEALTH OF PENNSYLVANIA

In Re:	:	Violations:
	:	
THOMAS D. CUSHMAN 171 Speigletown Road Troy, NY 12182	: : :	Sections 611-A(20) and 643-A of Act 147 of 2002 (40 P.S. §§310.11 and 310.43)
	: :	
Respondent.	:	Docket No. CO06-09-025

CONSENT ORDER

AND NOW, this 10th day of October, 2006, this Order is hereby issued by the Deputy Insurance Commissioner 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 Deputy Insurance Commissioner finds true and correct each of the following Findings of Fact:

(a) Respondent is Thomas D. Cushman and maintains his address at 171 Speigletown Road, Troy, NY 12182.

(b) At all relevant times herein, Respondent has been a licensed Pennsylvania Individual Resident Producer, license number 590916, which expires on February 2, 2007.

(c) In August of 2005, Respondent solicited the Pennsylvania State Fraternal Order of Police, along with the Pittsburgh and Philadelphia Lodges, to obtain "free" life insurance for its members.

(d) At that time, Respondent obtained letters of intent signed by Philadelphia Lodge # 5 and Pittsburgh Lodge # 1.

(e) Coverage was to be issued through Kellen Domnall Group, Ltd. ("KDG") and Union Benefits Trust ("UBT").

(f) Neither KDG nor UBT had a certificate of authority to act as an insurer in Pennsylvania, or were otherwise licensed to transact the business of insurance in Pennsylvania.

CONCLUSIONS OF LAW

4. In accord with the above Findings of Fact and applicable provisions of law, the Deputy Insurance Commissioner concludes and finds the following Conclusions of Law:

(a) Respondent is subject to the jurisdiction of the Pennsylvania Insurance Department.

(b) Respondent's activities, above, constitute violations of Pennsylvania Insurance laws, specifically:

(i) Demonstrating a lack of general fitness, competence or reliability sufficient to satisfy the Department that the licensee is worthy of licensure. 40 P.S. §310.11(20).

(ii) Representing or advertising himself to be an insurance producer or representative of an unauthorized insurance entity. 40 P.S. §310.43.

(c) Respondent's violations subject him to the following penalties under 40 P.S. §310.91:

(i) Denial, suspension, refusal to renew or revocation of Respondent's license.

(ii) A civil penalty of up to $5,000 per violation.

(iii) A cease and desist order.

(iv) Any other conditions as the Commissioner deems appropriate.

ORDER

5. In accord with the above Findings of Fact and Conclusions of Law, the Deputy Insurance Commissioner 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 Cushman's certificates and licenses may be immediately suspended by the Department following its investigation and determination that any other terms of this Order have not been complied with, or 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 years from the date of this order.

(c) Respondent Cushman 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 Cushman 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 Cushman's written request.

(d) At the hearing referred to in paragraph 5(c) above, Respondent Cushman shall have the burden of demonstrating that he is worthy of a license.

(e) In the event Respondent Cushman's certificates and licenses are suspended pursuant to paragraph 5(b) above, and Respondent Cushman 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 Cushman's suspended certificates and licenses shall be revoked.

6. In the event the Deputy Insurance Commissioner 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 Deputy Commissioner finds that there has been a breach of any of the provisions of this Order, the Deputy Commissioner 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 Deputy Insurance Commissioner. Only the Insurance Commissioner or the duly authorized Deputy Insurance Commissioner is authorized to bind the Insurance Department with respect to the settlement of the alleged violation of law contained herein, and this Consent Order is not effective until executed by the Insurance Commissioner or the duly authorized Deputy Insurance Commissioner.

BY: _____
THOMAS D. CUSHMAN, Respondent

_____
RANDOLPH L. ROHRBAUGH
Deputy Insurance Commissioner
Commonwealth of Pennsylvania