

2012 MAY -4 AM 11:37

BEFORE THE INSURANCE COMMISSIONER
OF THE
COMMONWEALTH OF PENNSYLVANIA

ADMINISTRATIVE OFFICE

IN RE:	:	VIOLATIONS:
	:	
DANNY E. DENNIS, d/b/a	:	40 P.S. §§ 310.11(7), (20) and
DURHAM INSURANCE GROUP, INC.	:	310.78(b)
2625A Durham Road	:	
Bristol, PA 19046	:	
	:	
Respondents.	:	Docket No. CO12-03-020

CONSENT ORDER

AND NOW, this *4TH* day of *May*, *2012*, 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 Danny E. Dennis and maintains his address at 2625A Durham Road, Bristol, PA 19007.
- (b) Co-Respondent is Durham Insurance Group, Inc., and maintains its address at 2625A Durham Road, Bristol, PA 19007.
- (c) At all relevant times herein, Respondent has held an active resident producer license number 289152 to conduct the business of insurance in Pennsylvania.
- (d) At all relevant times herein, Co-Respondent has held an active resident producer agency license number 62408 to conduct the business of insurance in Pennsylvania.

- (e) At all times, Respondent was the owner, operator and Designated Licensee (DL) of Co-Respondent, and was responsible for all of the business activities and day-to-day operations of Co-Respondent.

- (f) In May, 2011, Respondent was arrested by the Pennsylvania State Police and charged with tampering or creating fraudulent Pennsylvania-assigned drivers licenses through Co-Respondent for the purpose of titling and issuing vehicle registrations to customers (Ref. Bucks County Criminal Docket #CP-09-CR-0003805-2011).

- (g) On August 11, 2011, in the Bucks County Court of Common Pleas, Respondent pled guilty to three (3) misdemeanor violations and received two (2) years of supervised probation.

- (h) Respondent failed to report his criminal arrest or disposition to the Department within thirty (30) days as required by law.

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(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.
- (c) Respondents' activities described above in paragraphs 3(f) through 3(h) violate 40 P.S. § 310.11(7).
- (d) 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.
- (e) Respondents' activities described above in paragraphs 3(f) through 3(h) violate 40 P.S. § 310.11(20).
- (f) 40 P.S. § 310.78(b) requires that within 30 days of being charged with criminal conduct, a licensee shall report the charges to the Department. The licensee shall provide the Department with a copy of the criminal complaint,

information or indictment, a copy of the order resulting from any pretrial hearing, and a report of the final disposition of the charges.

(g) Respondents' activities described above in paragraph 3(h) violate 40 P.S. § 310.78(b).

(h) Respondents' violations of Sections 310.11(7), (20) and 310.78(b) 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) Respondents shall pay a civil penalty of Five Thousand Dollars (\$5,000.00) 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 April Phelps, 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 thirty (30) days after the date of the Consent Order.

(c) Respondents' 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 this Order.

(d) Respondents specifically waive 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.

(e) At the hearing referred to in paragraph 5(d) of this Order, Respondents shall have the burden of demonstrating that they are worthy of a license.

(f) In the event Respondents' licenses are suspended pursuant to paragraph 5(c) 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 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.