

BEFORE THE INSURANCE COMMISSIONER
OF THE
COMMONWEALTH OF PENNSYLVANIA

RECEIVED
INSURANCE DEPARTMENT
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In Re: IBSI, LLC
202 North Prince Street
P.O. Box 83997
Lancaster, PA 17603

ADMIN HEARINGS OFFICE
: Violations:
:
: Sections 606-A and 641.1-A of the Producer
: Licensing Modernization Act (40 P.S.
: §§310.6(a) and 310.41a).
:

Respondent

Docket # C005-03-028

CONSENT ORDER

AND NOW, this *24* day of *March* 2005, 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. IBSI, LLC (hereinafter referred to as Respondent) hereby admits and acknowledges that it has received proper notice of its 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 maintains its address at 202 North Prince Street, P.O. Box 83997, Lancaster, Pennsylvania 17603.
- (b) Respondent maintains an active resident producer agency license #55153 that expires on November 15, 2005.
- (c) Respondent employs Carol Geiter and Christa Shannon as sales associates.
- (d) Respondent acknowledges that the activities with which Ms. Geiter and Ms. Shannon engage as sales associates for Respondent require licensure by the Pennsylvania Insurance Department.
- (e) At all times relevant to this matter, Ms. Geiter and Ms. Shannon were not licensed with the Pennsylvania Insurance Department.

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) Section 606-A of the Insurance Department Act (40 P.S. §310.6(a)) provides that the Insurance Department shall grant a certificate of qualification when satisfied the applicant is worthy of a certificate of qualification.
- (c) Section 641-A of the Insurance Department Act (40 P.S. §310.41a) provides that no insurance entity shall engage in the business of insurance with unlicensed persons.
- (d) The employment of unlicensed producers engaging in the business of insurance, in their capacity as sales associates for Respondent, reflects on Respondent's worthiness to transact the business of insurance under Section 606-A of the Insurance Department Act (40 P.S. §310.6(a)).
- (e) Respondent's violations of 606-A and 641.1-A of the Insurance Department Act (40 P.S. §310.6(a) and 310.41a) are punishable by the following, under Section 691-A of the Insurance Department Act (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 \$5,000 (five thousand

- dollars) for every violation of the Act;
- iii. Order to cease and desist; and
 - iv. any other conditions as the Commissioner deems appropriate.

ORDER

5. Accordingly, the Deputy Insurance Commissioner orders and applicant consents to the following:

- (a) Respondent shall comply with Pennsylvania Insurance Laws and regulations.
- (b) Respondent shall cease and desist from engaging in the activities described herein in the findings of fact and conclusion of law.
- (c) Respondent shall pay a civil penalty in the amount of \$1,000 to the Commonwealth of Pennsylvania. The check should be made payable to the Commonwealth of Pennsylvania and payment should be directed to Sharon L. Harbert, Administrative Assistant, Bureau of Enforcement, 1321 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 from the date of this Order.
- (d) Respondent agrees to supervision for a period of five years.

- (e) Respondent's certificates and licenses shall be immediately suspended by the Department following its investigation and determination that any terms of this order have not been complied with, or any complaint against Respondent represents a statute or regulation has been violated. The Department's right to act under this section has been limited to a period of five years from the date of this Order.
- (f) Respondent 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 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.

6. At the hearing reference to in paragraph 5(f) above, Respondent shall have the burden of demonstrating that it is worthy of a license. In the event the Respondent's certificates and licenses are suspended pursuant to paragraph 5(e) above, and Respondent either fails to request a hearing within thirty (30) days or at the hearing fails to demonstrate that it is worthy of a license, Respondent's suspended certificates and licenses shall be revoked.

7. 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 and any other court of law or equity having jurisdiction.

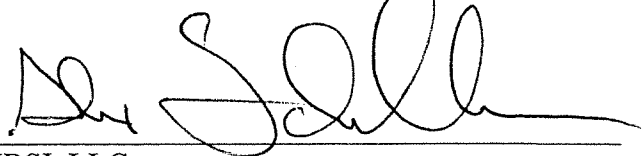
8. Alternatively, in the event the Deputy Insurance Commissioner finds that there has been a breach of any of the provisions of this Order, the Deputy Insurance Commissioner may declare this Order to be null and void. There upon, the Deputy Insurance Commissioner may reopen the entire matter for appropriate action pursuant to the administrative agency law, supra, or other relative provision of law.

9. 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.

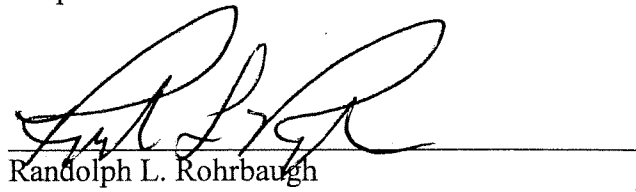
10. Respondent hereby expressly waives any relevant statute of limitations and application of the doctrine of laches for purposes of any enforcement of this Order.

11. 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 parties hereto.

12. This Order shall be final upon execution by the Deputy Insurance Commissioner. Only the Insurance Commissioner or her 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 her duly authorized Deputy Insurance Commissioner.

A handwritten signature in black ink, appearing to be "IBSI, LLC", written over a horizontal line.

IBSI, LLC
Respondent

A handwritten signature in black ink, appearing to be "Randolph L. Rohrbaugh", written over a horizontal line.

Randolph L. Rohrbaugh
Deputy Insurance Commissioner
Commonwealth of Pennsylvania