

BEFORE THE INSURANCE COMMISSIONER
OF THE
COMMONWEALTH OF PENNSYLVANIA

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INSURANCE DEPARTMENT
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HEARINGS OFFICE

IN RE: :
: :
Application of Lisa M. Gentry : Pursuant to the Violent Crime Control and
Requesting Written Consent to Engage in the : Law Enforcement Act of 1994, 18 U.S.C.
Business of Insurance : §1033
: :
: Docket No. CW06-12-001

CONSENT ORDER

AND NOW, this 4th day of January, 2007, this Order is hereby issued
the Deputy Insurance Commissioner pursuant to the statutes cited above and in
disposition of the matter captioned above.

1. To the extent applicable, Applicant 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, 2 Pa.C.S.A. § 101, et seq., or other applicable law.

FINDINGS OF FACT

2. The Deputy Insurance Commissioner finds true and correct each of the following Findings of Fact:

- (a) Applicant is Lisa M. Gentry, and maintains her address at 22 Ashburg Drive, Mechanicsburg, Pennsylvania 17050.
- (b) Applicant currently is employed by Principal Life Insurance Company as a Manager. Principal Life Insurance Company (“the Company”) is licensed to transact the business of insurance in accordance with The Insurance Company Law, Act of May 17, P.L. 682 (40 P.S. § 341, et seq.).
- (c) On December 4, 1995, Applicant was found guilty in the Court of Common Pleas, Dauphin County, Pennsylvania, of forgery, a felony offense.
- (d) On September 13, 2006, Applicant submitted an application to the Pennsylvania Insurance Department for written consent to engage in the business of insurance pursuant to 18 U.S.C. §1033(e)(2).
- (e) The activities in which Applicant desires to engage constitute the business of insurance within the meaning of 18 U.S.C. § 1033(e)(1)(A) and (f).

CONCLUSIONS OF LAW

3. In accordance with the above Findings of Fact and applicable provisions of law, the Deputy Insurance Commissioner concludes and finds the following

Conclusions of Law:

- (a) 18 U.S.C. §1033(e)(2) provides that persons convicted of felonies involving dishonesty or a breach of trust may not engage in the business of insurance or participate in such business unless such person has the written consent of any insurance regulatory official authorized to regulate the insurer, which consent specifically refers to 18 U.S.C. §1033(e)(2).
- (b) Forgery is a criminal felony involving dishonesty or a breach of trust within the meaning of 18 U.S.C. §1033(e)(1)(A).
- (c) The activities in which Applicant desires to engage constitute the business of insurance within the meaning of 18 U.S.C. §1033(e)(1)(A) and (f).
- (d) Accordingly, Applicant may not engage in the business of insurance without a written consent issued by the Deputy Insurance Commissioner pursuant to 18 U.S.C. §1033(e)(2).
- (e) The Insurance Commissioner has determined that Applicant may engage in the business of insurance in the capacity of Manager with the job duties set forth and attached as "Exhibit 1" for the Company, and only in such capacity, subject to the terms and conditions of this Order and the conditions contained herein are necessary and sufficient to ensure that Applicant may engage in the business of

insurance in a manner that is not reasonably likely to cause harm to the public, policyholders or the insurer.

ORDER

4. Accordingly, the Deputy Insurance Commissioner orders and Applicant consents to the following:

- (a) Applicant shall cease and desist from engaging in the activities described herein in the Findings of Fact and Conclusions of Law. Applicant shall further comply with Pennsylvania insurance laws and regulations.
- (b) Pursuant to 18 U.S.C. §1033(e)(2), Applicant may engage in the business of insurance as a Manager with the job duties set forth in Exhibit 1, and only in such capacity, subject to the terms and conditions of this Order, which terms and conditions contained herein are necessary and sufficient to ensure that Applicant may engage in the business of insurance in a manner that is not reasonably likely to cause harm to the public, policyholders or the industry.

5. Applicant shall be limited to performing the prescribed duties of her job description attached hereto as Exhibit 1.

6. Applicant must request and obtain an amendment to this Order from the Deputy Insurance Commissioner prior to any material modification or expansion of

duties identified in the job description attached hereto as Exhibit 1. This request must be accompanied by a proposed new job description and a current Pennsylvania State Police certified Criminal Record Check.

7. Failure to obtain an amendment to this Order prior to any material modification or expansion of duties constitutes a breach of this agreement and as such, the Department's consent permitting Applicant to engage in the business of insurance may be immediately suspended pursuant to Paragraph 13 of this Order.

8. Applicant must notify the Department in writing if she changes employers, or if the Company experiences a change of ownership or control through any merger, acquisition or divestiture transaction within 30 days of any such change. Nothing in this Order shall be construed as constraining Applicant's ability to change employment in the insurance industry provided that there is no material modification or expansion of the job duties prescribed in Exhibit 1.

9. This notice must include the new job description for the new employer and a written representation that there has been no material modification or expansion of job duties.

10. Applicant must notify the Department in writing of any and all subsequent felony or misdemeanor convictions within ten (10) business days of any said conviction.

11. The term of this Order shall remain in place for a period of five years and, thereafter, unless and until the Department or the Commissioner terminates the Order. Nothing in this Order shall preclude the Department, the Deputy Commissioner or the Commissioner, in their sole discretion, from decreasing or lessening the restrictions contained in this Order in whole or in part while it is in effect. Any such lessening of the restrictions contained in this Order shall be made in writing by the Department, the Deputy Commissioner or the Commissioner in accordance with the procedures set forth in Paragraph 20 of this Order.

12. Following the five-year period referenced in Paragraph 11, above, this Order shall continue unless and until the Department affirmatively terminates it. Nothing in this Order shall be construed as conferring upon Applicant any property right or interest as a result of receiving this conditional consent to engage in the business of insurance in accordance with the terms of this Order. Applicant expressly waives any right to assert that she is entitled to a hearing on the termination of this Order following the expiration of the five-year period referenced in Paragraph 11. Should the Insurance Department or the Commissioner terminate this Order after the five year period referenced in Paragraph 11, above, Applicant may file a new application for a written consent to engage in the business of insurance under 18 U.S.C. § 1033(e)(2).

13. The Department's conditional consent, permitting Applicant to engage in the business of insurance, may be immediately suspended upon notice by the Department

following its investigation that Applicant has failed to adhere to any condition set forth in this Order or has violated an insurance statute or regulation.

14. Applicant shall have no right to prior notice of such a suspension, but will be entitled to a hearing upon written request received by the Department no later than thirty (30) days from the date the Department mailed to Applicant by certified mail, return receipt requested, notification of such suspension, which hearing shall be held within sixty (60) days of the Department's receipt of Applicant's written request for a hearing.

15. At the hearing referred to in paragraph 14 above, Applicant shall have the burden of demonstrating that she continues to meet the conditions set forth herein to maintain a conditional consent to engage in the business of insurance. In the event Applicant's conditional consent is suspended pursuant to Paragraph 13 above, and Applicant either fails to request a hearing within 30 days or at the hearing fails to demonstrate that she continues to meet the conditions set forth herein to maintain a conditional consent to engage in the business of insurance, Applicant's suspended conditional consent shall be revoked.

16. 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.

17. Alternatively, in the event the Deputy Insurance Commissioner finds that there has been a breach of any provisions of this Order, the Deputy Insurance 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.

18. In any such enforcement proceeding, Applicant may contest whether a breach of the provisions of this Order has occurred but may not contest the Findings of Fact or Conclusions of Law contained herein.

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

20. 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.

21. 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 matters addressed herein, and this Consent Order is not effective until executed by the Insurance Commissioner or the duly authorized Deputy Insurance Commissioner.

22. In addition to the authority conferred under Article IX of The Insurance Department Act of 1921, Act of May 17, 1921, P.L. 789, *added by* the Act of December 18, 1992, P.L. 1469, 40 P.S. §§323.1-323.8, the Insurance Commissioner and the Department shall have the authority to ensure compliance with the terms of this Order by any reasonable means, including but not limited to the right to review any books, records, or other materials in possession of the Company.

23. Within 25 business days of receipt of a copy of this Order executed by the Deputy Commissioner, Applicant agrees to notify the appropriate Company official(s) of the terms of this Order and to provide them with a copy of the same.

BY:



Lisa M. Gentry, Applicant



Randolph L. Rohrbaugh
Deputy Insurance Commissioner
Commonwealth of Pennsylvania