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INSURANCE DEPARTMENT
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ADMIN HEARINGS OFFICE

BEFORE THE INSURANCE COMMISSIONER
OF THE
COMMONWEALTH OF PENNSYLVANIA

IN RE:	:	VIOLATIONS:
	:	
PHILLIP MICHAEL SCHRIEDEL 127 Terra Drive Valencia, PA 16059	:	40 P.S. §§ 310.11(2), (16), (20) and 310.78(b)
	:	Title 31, Pa. Code, Section 37.46(7)(i)
	:	
Respondent.	:	Docket No. CO12-08-012

CONSENT ORDER

AND NOW, this 3rd day of October, 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. 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 Insurance Department finds true and correct each of the following Findings of Fact:

(a) Respondent is Phillip Michael Schriedel and maintains his address at 127 Terra Drive, Valencia, PA 16059.

(b) Respondent is, and during all times relevant herein was, a licensed insurance producer with a resident individual license, which expires on April 30, 2013.

(c) Respondent, on May 12, 2011, was arrested by the Hampton Township, PA Police Department and charged with violating 18 PCC §§ 3123(b) – Involuntary Deviate Sexual Intercourse with a Child, a felony, 3126(a)(7) – Indecent Assault on a Person Less Than 13 Years of Age, a misdemeanor, 4304(a)(1) – Endangering the Welfare of Children – Parent/Guardian/Other Commits the Offense, a felony, 6301(a)(1)(ii) – Corruption of Minors – Defendant Age 18 or Above, a felony and 6318(a)(1) – Unlawful Contact with a Minor – Sexual Offenses, a felony.

(d) Respondent failed to report his arrest referenced in (c) above to the Department as required.

(e) Respondent, on December 5, 2011, in the Court of Common Pleas, Allegheny County, PA Schriedel was convicted of violating 18 PCC § 3126(a)(7) – Indecent Assault on a Person Less Than 13 Years of Age, a misdemeanor.

(f) Respondent was sentenced to 5 years of Probation and required to be registered on the Pennsylvania Sexual Offender list for 10 years.

(g) Respondent failed to report his conviction referenced in (e) above to the Department as required.

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

(b) 40 P.S. § 310.11(2) prohibits a licensee or an applicant from violating the insurance laws or regulations of this Commonwealth or a subpoena or order of the commissioner or of another state's insurance commissioner.

(c) Respondent's activities described above in paragraphs 3(c) through 3(g) violate 40 P.S. § 310.11(2).

(d) 40 P.S. § 310.11(16) prohibits a licensee or an applicant from committing a violation of subarticle B.

(e) Respondent's activities described above in paragraphs 3(c) and 3(e) violate 40 P.S. § 310.11(16).

(f) 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.

(g) Respondent's activities described above in paragraphs 3(c) through 3(g) violate 40 P.S. § 310.11(20).

(h) 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.

(i) Respondent's activities described above in paragraphs 3(d) and 3(g) violate 40 P.S. § 310.78(b).

(j) Respondent's violations of Sections 310.11(2), (16), (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.

(k) Title 31, Pa. Code, Section 37.46(7)(i) states that a determination of professional competence and general fitness required to engage in the business of insurance will be made after thorough examination of the pertinent information and documents available to the Department which pertain to the honesty, reliability, efficiency, educational training and business experience and reputation of the applicant. The Department will also consider the applicant's participation in initial or ongoing training programs offered by the entities represented.

(i) A showing that, within 5 years prior to applying for a certificate or license, an applicant has pleaded guilty, entered a plea of nolo

contendere or has been found guilty of a felony in a court of competent jurisdiction, or has pleaded guilty, entered a plea of nolo contendere, or been found guilty of criminal conduct which relates to the applicant's suitability to engage in the business of insurance, shall be evidence of lack of fitness for a certificate or license.

(l) Respondent's activities described above in paragraph 3(e) violate 40 P.S. § 310.78(b).

ORDER

5. In accord with the above Findings of Fact and Conclusions of Law, the Insurance Department 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 shall immediately surrender all licenses to conduct the business of insurance within the Commonwealth of Pennsylvania as of the date of this Consent Order.

(c) If Respondent should ever become licensed in the future, his 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 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 (5) years from the date of issuance of such licenses.

(d) Respondent 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 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.

(e) At the hearing referred to in paragraph 5(d) of this Order, Respondent shall have the burden of demonstrating that he is worthy of an insurance license.

(f) In the event Respondent's licenses are suspended pursuant to paragraph 5(c) above, and Respondent 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's 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.

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 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: _____
PHILLIP MICHAEL SCHRIEDEL,
Respondent

_____
COMMONWEALTH OF PENNSYLVANIA
By: RONALD A. GALLAGHER, JR.
Deputy Insurance Commissioner