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By Admin Hearings, Ins Dept at 9:22 am, Oct 31, 2022

BEFORE THE INSURANCE COMMISSIONER
OF THE
COMMONWEALTH OF PENNSYLVANIA

IN RE:

FRANK GUZMAN
10640 N.W. 39th Street
Coral Springs, FL 33065-2381

VIOLATIONS:

40 P.S. §§ 310.11(2), (6), (7),
(20) and 1171.5(a)(1)(i)

Respondent.

Docket No. CO22-09-027

CONSENT ORDER

AND NOW, this 31st day of October, 2022, this Order is
hereby issued by the Insurance Department of Commonwealth of Pennsylvania pursuant
to the statutes cited above and in disposition of the matter captioned above.

1. 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 Pennsylvania Insurance Department ("Department") finds true and correct each of the following Findings of Fact:
- (a) Respondent is Frank Guzman and maintains a record of his address with the Pennsylvania Insurance Department as 10640 N.W. 39th Street, Coral Springs, FL 33065-2381.
 - (b) Respondent is, and at all times relevant hereto has been, a licensed Non-Resident Producer.
 - (c) Respondent, since September 23, 2021, was appointed by the Unified Life Insurance Company.
 - (d) Respondent, on October 17, 2021, on behalf of the United Life Insurance Company, sold a Group Accident and Sickness Hospital Indemnity Insurance Plan through the National Congress of Employers Association to an insured, and misrepresented the policy terms and conditions by informing the insured that it would cover currently prescribed anti-rejection medication and failing to inform that this was not major medical coverage, which resulted in the insured believing they were purchasing a major medical plan.
 - (e) The product identified in finding 3(d) was not approved for sale in Pennsylvania in October 2021.

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(d) and 3(e) violate 40 P.S. § 310.11(2).
- (d) 40 P.S. § 310.11(6) prohibits a licensee or an applicant from committing any unfair insurance practice or fraud.
- (e) Respondent's activities described in paragraphs 3(d) and 3(e) violate 40 P.S. § 310.11(6).
- (f) 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.

- (g) Respondent's activities described in paragraphs 3(d) and 3(e) violate 40 P.S. § 310.11(7).
- (h) 40 P.S. § 310.11(20) prohibits a licensee or an applicant from demonstrating a lack of general fitness, competence or reliability sufficient to satisfy the Department that the licensee is worthy of licensure.
- (i) Respondent's activities described in paragraphs 3(c) and 3(f) violate 40 P.S. § 310.11(20).
- (j) 40 P.S. § 1171.5(a)(1)(i) prohibits persons from misrepresenting the benefits, advantages, conditions or terms of any insurance policy.
- (k) Respondent's activities described in paragraph 3(d) constitute misrepresenting the benefits, advantages, conditions or terms of any insurance policy and violate 40 P.S. § 1171.5(a)(1)(i).
- (l) Respondent's violations of 40 P.S. §§ 1171.5(a)(1)(i) are punishable by the following, under 40 P.S. § 1171.9 and 1171.11:
 - (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.
- (m) Respondent's violations of 40 P.S. §§ 310.11(2), (6), (7) and (20) 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 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 its 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 it is worthy of a 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 it is worthy of a license, Respondent's suspended licenses shall be revoked.
- (g) Respondent shall assist to the best of his ability the Department in conducting investigations and prosecution of any licensed or unlicensed

entity performing the business of insurance including, but not limited to, any public adjuster, insurance producer, company, etc., their employees and officers, including but not limited to testifying as a witness relative to any of the aforesaid entities, their employees and officers in any civil or administrative action involving same.

- (h) At Respondent's own expense, Respondent must successfully complete a continuing education course on the topic of ethics and provide proof of the course completion to the Department within six (6) months.

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 provisions 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 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.

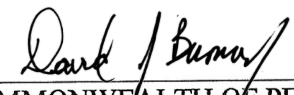
9. Respondent hereby expressly waives any relevant statute of limitations and application of the doctrine of laches for purposes of any enforcement of this Order.

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 delegate 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 duly authorized delegate.

BY:


FRANK GUZMAN, Respondent


COMMONWEALTH OF PENNSYLVANIA
By: DAVID J. BUONO JR.
Deputy Insurance Commissioner

BEFORE THE INSURANCE COMMISSIONER
OF THE
COMMONWEALTH OF PENNSYLVANIA

IN RE: The Act of April 9, 1929, P.L. 177, No. 175, known as The
Administrative Code of 1929

AND NOW, this __31st__ day of __March____, 2022, David J. Buono, Jr.,
Deputy Insurance Commissioner, is hereby designated as the Commissioner's duly
authorized representative for purposes of entering in and executing Consent Orders. This
delegation of authority shall continue in effect until otherwise terminated by a later Order
of the Insurance Commissioner.



Michael Humphreys
Acting Insurance Commissioner

