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By Admin Hearings, Ins Dept at 9:34 am, Jul 15, 2021

BEFORE THE INSURANCE COMMISSIONER  
OF THE  
COMMONWEALTH OF PENNSYLVANIA

IN RE:

JEFFERY ARDEN PAULHAMUS  
1522 W. 4th Street  
Williamsport, PA 17701

Respondent.

VIOLATIONS:

40 P.S. § 310.11(1), (2), (3) and  
(20)

Docket No. CO21-07-006

CONSENT ORDER

AND NOW, this 15th day of July, 2021, 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 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 Jeffery Arden Paulhamus and maintains a record of his address with the Pennsylvania Insurance Department as 1522 W. 4th Street, Williamsport, PA 17701.
- (b) Respondent is, and at all times relevant hereto has been, a licensed Resident Producer.
- (c) Respondent, on September 25, 2020, was charged by the Pennsylvania State Police, Montoursville (Lycoming, PA) with one (1) count of DUI: Gen Imp/Inc of Driving Safely - 2nd Offense, and one (1) count of Disorderly Conduct, both Misdemeanors.
- (d) Respondent, on January 11, 2021, submitted his initial application for licensure and incorrectly answered "No" to the question "[h]ave you ever been convicted of a misdemeanor, had a judgment withheld or deferred, or are you currently charged with committing a misdemeanor?"
- (e) Respondent, on June 8, 2021, in the Court of Common Pleas of Lycoming County was accepted into the ARD program for the one (1) count of Gen Imp/Inc of Driving Safely - 2nd Offense, and the one (1) count of Disorderly Conduct was dismissed.

### 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(1) prohibits a licensee or an applicant for a license from providing incorrect, misleading, incomplete or false information to the Department in a license application.
  - (c) Respondent's activities described in paragraph 3(d) violate 40 P.S. § 310.11(1).
  - (d) 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.
  - (e) Respondent's activities described above in paragraphs 3(c) and 3(d) violate 40 P.S. § 310.11(2).
  - (f) 40 P.S. § 310.11(3) prohibits a licensee or an applicant from obtaining or attempting to obtain a license through misrepresentation or fraud.
  - (g) Respondent's activities described in paragraph 3(d) violate 40 P.S. § 310.11(3).

- (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) through 3(e) violate 40 P.S. § 310.11(20).
- (j) Respondent's violations of 40 P.S. § 310.11(1), (2), (3) 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.

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.

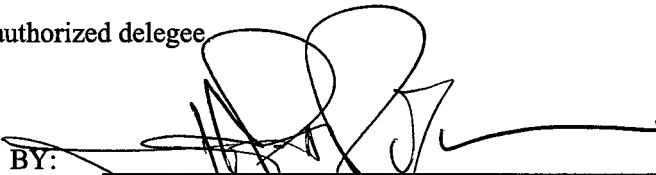
7. Alternatively, in the event the Insurance Department finds there has been a breach of any of the provisions of this Order, the Department may declare this Order to be null and void and, thereupon, reopen the entire matter for appropriate action pursuant to the Administrative Agency Law, supra, or other relevant provision of law.

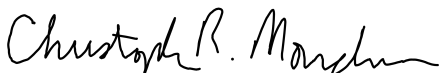
8. In any such enforcement proceeding, Respondent may contest whether a breach of the provisions of this Order has occurred but may not contest the Findings of Fact and Conclusions of Law contained herein.

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 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 duly authorized delegee.

BY:   
JEFFERY ARDEN PAULHAMUS, Respondent

  
COMMONWEALTH OF PENNSYLVANIA  
By: CHRISTOPHER R. MONAHAN  
Deputy Insurance Commissioner