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By Admin Hearings, Ins Dept at 9:49 am, Mar 16, 2022

BEFORE THE INSURANCE COMMISSIONER  
OF THE  
COMMONWEALTH OF PENNSYLVANIA

IN RE:	:	VIOLATIONS:
	:	
DEAN JAMES VAGNOZZI	:	40 P.S. §§ 310.11(1), (2), (8),
114 Ithan Lane	:	(19), (20) and 310.78(a)
Collegeville, PA 19426	:	
	:	
	:	
	:	
	:	
Respondent.	:	Docket No. CO22-03-009

CONSENT ORDER

AND NOW, this 16th day of March, 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 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 Dean James Vagnozzi and maintains a record of his address with the Pennsylvania Insurance Department as 114 Ithan Lane, Collegeville, PA 19426.
- (b) Respondent is, and at all times relevant hereto has been, a licensed Resident Producer.
- (c) Respondent failed to notify the Department of the following administrative actions within 30 days:
  - On March 25, 2009, Respondent entered into a Consent Order with the Delaware Insurance Department and was fined \$1,500.00 for completing three (3) annuity applications for Delaware consumers while not licensed to do so and incorrectly listing Pennsylvania as the state in which the three (3) annuity applications were completed.
  - On May 30, 2019, Respondent entered into a Consent Order with the Pennsylvania Department of Banking and Securities and was issued an administrative assessment of \$490,000.00 for selling a Non-Negotiable Term Promissory Note to at least one (1) Pennsylvania consumer while not registered as an agent at the time of the sale.

- On July 14, 2020, Respondent was issued an Order Instituting Administrative and Cease-And-Desist Proceedings by the U.S. Securities and Exchange Commission for selling unregistered securities under five (5) different funds and acting as an unregistered broker without being associated with a registered broker-dealer.
- On July 24, 2020, Respondent was issued a Complaint For Injunctive And Other Relief by the U.S. Securities and Exchange Commission for recruiting individuals to create Agent Funds that issue and sell securities; operating Agent Funds to raise money through unregistered securities offerings; and selling promissory notes and limited partnership interests to investors without being properly licensed.
- On July 20, 2021, Respondent executed a Consent Order with the Florida Insurance Department who suspended his eligibility for licensure and appointments for twelve (12) months for the July 24, 2020 U.S. Securities and Exchange Commission Order.

(d) Respondent, on October 24, 2019, submitted a license renewal application for licensure and incorrectly answered "No" to the question that asks "[h]ave you been named or involved as a party in an administrative proceeding, including a FINRA sanction or arbitration proceeding regarding any professional or occupational license or registration, which has not been previously reported to this insurance department?"

- (e) Respondent, on October 30, 2021, submitted a license renewal application and answered "Yes" to the question that asks "[h]ave you been named or involved as a party in an administrative proceeding, including a FINRA sanction or arbitration proceeding regarding any professional or occupational license or registration, which has not been previously reported to this insurance department?" However, Respondent failed to provide any documentation to the Department regarding the administrative action(s) as required.
  
- (f) Respondent, on February 18, 2022, during his Departmental interview admitted that his contact email address was incorrect and that he failed to notify the Department of his new contact email address within 30 days.

#### 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 paragraphs 3(d) and 3(e) 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) through 3(f) violate 40 P.S. § 310.11(2).
- (f) 40 P.S. § 310.11(8) prohibits a licensee or an applicant from having a producer license or other financial services license denied, suspended or revoked by a governmental entity.
- (g) Respondent's activities described in paragraph 3(c) violate 40 P.S. § 310.11(8).
- (h) 40 P.S. § 310.11(19) prohibits a licensee or an applicant from failing to notify the Department of a change of address within 30 days.
- (i) Respondent's activities described in paragraph 3(f) violate 40 P.S. § 310.11(19).
- (j) 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.

- (k) Respondent's activities described in paragraphs 3(c) through 3(f) violate 40 P.S. § 310.11(20).
- (l) 40 P.S. § 310.78(a) requires a licensee to report any administrative action taken in another jurisdiction or by another governmental agency within 30 days of the final disposition, to include a copy of the order, consent order or other relevant legal documents.
- (m) Respondent's activities described in paragraph 3(c) violate 40 P.S. § 310.78(a).
- (n) Respondent's violations of 40 P.S. §§ 310.11(1), (2), (8), (19), (20) and 310.78(a) 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) All licenses of Respondent to do the business of insurance are hereby revoked.
- (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 twenty (20) 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 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.

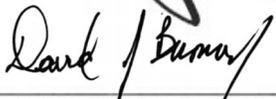
9. Respondent hereby expressly waives any relevant statute of limitations and application of the doctrine of laches for purposes of any enforcement of this Order.

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:

  
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DEAN JAMES WAGNOZZI, Respondent

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