

STATE OF NEW JERSEY  
DEPARTMENT OF BANKING AND INSURANCE

IN THE MATTER OF:

Proceedings by the Commissioner of Banking and )  
Insurance, State of New Jersey, to fine, suspend )  
and/or revoke the insurance producer license of )  
Susan J. Fredericks, Reference No. 0206692 and )  
Renaissance Title Agency, LLC, Reference No. )  
1097314 )

**FINAL ORDER**

TO: Susan J. Fredericks  
32 Fallsington Place  
Crosswicks, NJ 08515

Susan J. Fredericks  
c/o Renaissance Title Agency, LLC  
231 Crosswicks Road, Suite 1  
Bordentown, NJ 08505

Renaissance Title Agency, LLC  
231 Crosswicks Road, Suite 1  
Bordentown, NJ 08505

Renaissance Title Agency, LLC  
c/o Susan J. Fredericks  
32 Fallsington Place  
Crosswicks, NJ 08515

This matter, having been opened by the Commissioner of Banking and Insurance ("Commissioner"), State of New Jersey, upon issuance of Order to Show Cause E17-28 (the "OTSC") alleging that Susan J. Fredericks ("Fredericks") and Renaissance Title Agency, LLC ("Renaissance"), (collectively "Respondents"), may have violated various provisions of the insurance laws of the State of New Jersey; and

WHEREAS, Fredericks was licensed as a resident insurance producer pursuant to

N.J.S.A. 17:22A-32 until her license expired on September 30, 2013; and

WHEREAS, Renaissance was licensed as a resident business entity insurance producer pursuant to N.J.S.A. 17:22A-32 until its license expired on May 31, 2013; and

WHEREAS, Fredericks was the Designated Responsible Licensed Producer (“DRLP”) of Renaissance and responsible for Renaissance’s compliance with the insurance laws, rules and regulations of this State, pursuant to N.J.S.A. 17:22A-32b(2); and

WHEREAS, Fredericks and Renaissance are subject to the provisions of the New Jersey Insurance Producer Licensing Act of 2001, N.J.S.A. 17:22A-26, et seq. (“Producer Act”), the Producer Licensing regulations, N.J.A.C. 11:17-1.1 et seq. and the Insurance Producer Standards of Conduct, N.J.A.C. 11:17A-1.1 et seq., N.J.A.C. 11:17C-1.1 et seq. and N.J.A.C. 11:17D-1.1 et seq.; and

WHEREAS, pursuant to N.J.S.A. 17:22A-40a(2), an insurance producer shall not violate any insurance law, regulation, subpoena or order of the Commissioner or of another state’s insurance regulator; and

WHEREAS, pursuant to N.J.S.A. 17:22A-40a(8), an insurance producer shall not use fraudulent, coercive or dishonest practices, or demonstrate incompetence, untrustworthiness or financial irresponsibility in the conduct of insurance business in this State or elsewhere; and

WHEREAS, pursuant to N.J.S.A. 17:22A-40a(16), an insurance producer shall not commit any fraudulent act; and

WHEREAS, pursuant to N.J.S.A. 17:22A-45c, any person who violates any provision of the Producer Act shall be liable to a penalty not exceeding \$5,000 for the first offense and not exceeding \$10,000 for each subsequent offense to be recovered in a summary proceeding in

accordance with the "Penalty Enforcement Law of 1999," P.L.1999, c. 274 (C. 2A:58-10 et seq.); additionally, the Commissioner or the court, as the case may be, may order restitution of moneys owed any person and reimbursement of the costs of investigation and prosecution, as appropriate; and

WHEREAS, pursuant to N.J.A.C. 11:17A-4.8, an insurance producer shall reply, in writing, to any inquiry of the New Jersey Department of Banking and Insurance ("Department") relative to the business of insurance within the time requested in said inquiry, or no later than 15 calendar days from the date the inquiry was made or mailed in cases where no response time is given; and

WHEREAS, pursuant to N.J.A.C. 11:17C-2.2(c), all title insurance settlement funds shall be disbursed within five business days after settlement except as determined by the parties at settlement; and

WHEREAS, pursuant to N.J.S.A. 17:22A-40d, the Commissioner shall retain the authority to enforce the provisions of and impose any penalty or remedy authorized by the Producer Act and Title 17 of the Revised Statutes or Title 17B of the New Jersey Statutes against any person who is under investigation for or charged with a violation of the Producer Act or Title 17 of the Revised Statutes or Title 17B of the New Jersey Statutes even if the person's license or registration has been surrendered or has lapsed by operation of law; and

WHEREAS, pursuant to N.J.A.C. 11:17-2.8(f)1 and 2, all licensees shall provide the Department with a complete and current business mailing address, and, if different, a street or location address, phone number and, if applicable, an email address, and individual licensees shall also provide the Department with a complete and current residence address, phone number

and, if applicable, an email address, and all licensees must notify the Department of any change of the foregoing information within 30 days of a change; and

WHEREAS, pursuant to N.J.A.C. 11:17-2.8(f)3, any legal process issued pursuant to the statutory authority of the Commissioner including, but not limited to, subpoenas, orders and orders to show cause may be served by sending the documents to the business mailing or residence address of the licensee then on file with the Department; and

WHEREAS, pursuant to N.J.A.C. 11:17D-2.1(a)1, before imposing an administrative penalty, the Department shall direct a notice by certified mail or personal delivery to the last known business or mailing address of the alleged violator, which shall include a reference to the statute, rule and/or administrative order alleged to be violated, a concise statement of the facts alleged to constitute the violation, a statement of the administrative penalty or penalties sought to be imposed, and a statement advising the alleged violator of the right to a hearing and the procedure for requesting a hearing; and

WHEREAS, pursuant to N.J.A.C. 11:17D-2.1(a)3, the notice shall be served by personal delivery, or by certified mail, to the alleged violator's last known business or mailing address, according to the files maintained by the Department, and service in this manner shall be considered lawful service on the alleged violator; and

WHEREAS, on April 20, 2017, the Commissioner issued the OTSC, alleging violations of New Jersey insurance laws by Fredericks and Renaissance as set forth in the following Counts:

### COUNT 1

IT APPEARING that on or about January 31, 2013, Respondents conducted a settlement (the "January 31 Settlement") in connection

with the sale and purchase of property located at 207 Lembeck Avenue, Jersey City, New Jersey (the "Lembeck Property"); and

IT FURTHER APPEARING that on or about February 1, 2013, the borrower at the January 31 Settlement (the "January 31 Borrower") wired \$20,798.04 to Respondents' trust account for the payment to Jersey City of a tax lien on the Lembeck Property in the amount of \$15,097.80 and for other closing costs relating to the January 31 Settlement; and

IT FURTHER APPEARING that Respondents returned to the January 31 Borrower \$16,444.63 of the \$20,798.04 tendered to their trust account on February 1, 2013; and

IT FURTHER APPEARING that on or about February 5, 2014, the January 31 Borrower requested the return of the balance of \$4,353.41 that had been previously remitted to Respondents; and

IT FURTHER APPEARING that Respondents failed to return the \$4,353.41 to the January 31 Borrower; and

IT FURTHER APPEARING that Respondents never did pay off or satisfy the tax lien on the Lembeck Property in the amount of \$15,097.80 to the Jersey City tax collector as instructed by the January 31 Borrower; and

IT FURTHER APPEARING that Respondents improperly withheld, misappropriated and converted the unrefunded balance of \$4,353.41, belonging to the January 31 Borrower, in violation of N.J.S.A. 17:22A-40a(2) and (16) and N.J.A.C. 11:17C-2.2(c); and

## COUNT 2

IT FURTHER APPEARING that on January 14, 2013, Respondents conducted a settlement (the "January 14 Settlement") in connection with the sale and purchase of property located at 518 Martin Luther King Drive, Jersey City, New Jersey (the "MLK Property"); and

IT FURTHER APPEARING that, in connection with the January 14 Settlement, on December 27, 2012, Respondents received a wire transfer to their trust account from the borrower at the January 14 Settlement (the "January 14 Borrower") in the amount of \$26,500.00 which was to be applied to the payment of four liens against the MLK Property in the total amount of \$27,447.93; and

IT FURTHER APPEARING that, in connection with the January 14 Settlement, on January 6, 2013, Respondents received a wire transfer to their trust account from the January 14 Borrower in the additional amount of \$11,000.00 which was also to be applied to the payment of the four liens against the MLK Property in the total amount of \$27,447.93; and

IT FURTHER APPEARING that Respondents failed to pay off or satisfy the four liens as instructed by the January 14 Borrower; and

IT FURTHER APPEARING that on or about February 5, 2014, the January 14 Borrower requested the return of the total amount of \$37,500.00 that was remitted to Respondents' trust account; and

IT FURTHER APPEARING that Respondents did not return the \$37,500.00 to the January 14 Borrower; and

IT FURTHER APPEARING that Respondents improperly withheld, misappropriated and converted \$37,500 in funds entrusted to Respondents by the January 14 Borrower, in violation of N.J.S.A. 17:22A-40a(2) and (16) and N.J.A.C. 11:17C-2.2(c); and

### COUNT 3

IT FURTHER APPEARING that the Department sent letters, dated November 3, 2014, via certified and regular mail, to Fredericks' residential and business addresses and to the business address on file at the Department for Renaissance, requesting Respondents provide an explanation of the allegations set forth in Counts 1 and 2; and

IT FURTHER APPEARING that Respondents failed to respond to the Department's inquiry in writing, or by any other method, in violation of N.J.S.A. 17:22A-40a(2) and (8) and N.J.A.C. 11:17A-4.8;

IT FURTHER APPEARING that Fredericks and Renaissance were given notice of the aforesaid charges and an opportunity to contest the charges at a hearing pursuant to the OTSC; and

IT FURTHER APPEARING that as set forth in the Certification of Deputy Attorney

General Carl M. Bornmann, attached hereto as Exhibit A, under cover letters dated April 24, 2017 and May 9, 2017, respectively, the OTSC was sent by certified and regular mail to the last known business and mailing address of Fredericks and Renaissance at 231 Crosswicks Road, Suite 1, Bordentown, NJ 08505 and the last known residence address of Fredericks at 32 Fallsington Place, Crosswicks, NJ 08515, and to three other potential addresses of Fredericks; and

IT FURTHER APEARING that mailing of the OTSC by regular and certified mail to the last known business and mailing address of Fredericks and Renaissance, according to files maintained by the Department, constitutes lawful service, pursuant to N.J.A.C. 11:17D-2.1(a)3;

**NOW, THEREFORE, IT IS on this** 20<sup>th</sup> **day of** October, 2017:

ORDERED that the charges contained in the OTSC are deemed admitted by Fredericks and Renaissance due to their failure to respond to the charges, pursuant to N.J.A.C. 11:17D-2.1(b)1; and

IT IS FURTHER ORDERED that, pursuant to N.J.S.A. 17:22A-40, and N.J.A.C. 11:17D-2.1(b)2, the insurance producer licenses of Fredericks and Renaissance are **REVOKED** effective upon the execution of this Final Order; and

IT IS FURTHER ORDERED that, pursuant to N.J.S.A. 17:22A-45c, Fredericks and Renaissance shall be jointly and severally responsible for the payment of civil penalties for violations of the Producer Act and other insurance laws cited above as follows:

Count 1: Fredericks and Renaissance shall be responsible for the payment of civil penalties totaling \$5,000.00 for the violation as described in Count 1 of the Order to Show

Cause; and

Count 2: Fredericks and Renaissance shall be responsible for the payment of civil penalties totaling \$5,000.00 for the violation as described in Count 2 of the Order to Show Cause; and

Count 3: Fredericks and Renaissance shall be responsible for the payment of civil penalties totaling \$1,000.00 for the violation as described in Count 3 of the Order to Show Cause; and

IT IS FURTHER ORDERED that pursuant to N.J.S.A. 17:22A-45c, Fredericks and Renaissance shall make restitution of \$37,500.00 to the January 14 Borrower and of \$4,353.41 to the January 31 Borrower; and

IT IS FURTHER ORDERED that, pursuant to N.J.S.A. 17:22A-45c and N.J.A.C. 11:1-32.4(b)20, Fredericks and Renaissance shall reimburse the Department of Banking and Insurance for the costs associated with the investigation and prosecution of this matter, as evidenced by the Certification of Costs by Investigator Anil Patel, attached hereto as Exhibit B, totaling \$462.50; and

IT IS FURTHER ORDERED that Fredericks and Renaissance shall pay the above fines and costs totaling \$11,462.50 in full by remitting payment to the Commissioner of Banking and Insurance, State of New Jersey, 20 West State Street, P.O. Box 329, Trenton, New Jersey 08625, Attention: Virgil Downtin, Chief of Investigations by certified check, cashier's check or money order made payable to the "State of New Jersey, General Treasury," within ten (10) days from the date of service of this Order; and

IT IS FURTHER ORDERED that in the event full payment of the fines, restitution and



costs is not made, the Commissioner may exercise any and all remedies available by law, including but not limited to recovery of any unpaid penalties, in accordance with the Penalty Enforcement Law of 1999, N.J.S.A. 2A:58-10 et seq.; an

IT IS FURTHER ORDERED that the fines in this Final Order are imposed pursuant to the police powers of the State of New Jersey for the enforcement of the law and the protection of the public health, safety and welfare, and are not intended to constitute debts which may be limited or discharged in a bankruptcy proceeding; and

IT IS FURTHER ORDERED that the provisions of this Final Order represent a final agency decision and constitute a final resolution of the allegations contained in the OTSC.

  
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Peter L. Hart  
Director of Insurance

EXHIBIT A

STATE OF NEW JERSEY  
DEPARTMENT OF BANKING AND INSURANCE

IN THE MATTER OF:

Proceedings by the Commissioner )  
of Banking and Insurance, State )  
of New Jersey, to fine, suspend )  
and/or revoke the insurance )  
producer license of Susan J. )  
Fredericks, Reference No. )  
0206692 and Renaissance Title )  
Agency, LLC, Reference No. )  
1097314 )

**CERTIFICATION OF  
DEPUTY ATTORNEY GENERAL  
CARL M. BORNMANN**

I, Carl M. Bornmann, of full age, do of my own personal knowledge make the following statements by way of certification in lieu of affidavit pursuant to R. 1:4-4(b):

1. I am a Deputy Attorney General assigned as counsel for the Commissioner of Banking and Insurance, State of New Jersey, ("Commissioner"), in the above-captioned matter. I make this certification in support of entry of the Final Order in the above-captioned case against Respondents Susan J. Fredericks ("Fredericks") and Renaissance Title Agency LLC ("Renaissance") (collectively "Respondents").

2. On April 20, 2017, the Commissioner issued Order to Show Cause No. E17-28 against Respondents charging them with violations of the insurance laws of this State, pursuant to N.J.S.A. 17:22A-40.

3. Pursuant to N.J.A.C. 11:17D-2.1(a)3, the Order to Show Cause "shall be served by personal delivery, or by certified mail to the alleged violator's last known business or

mailing address, according to the files maintained by the Department. Service in this manner shall be considered lawful service on the alleged violator.”

4. By cover letter dated April 24, 2017, our office mailed Order to Show Cause No. E17-28 to Fredericks and Renaissance via certified mail, return receipt requested, and regular mail to Fredericks’ and Renaissance’s last known mailing and business address on file with the Department of Banking and Insurance (the “Department”) at 231 Crosswicks Road, Suite 1, Bordentown, New Jersey 08505.

5. The regular mailings were returned with “Unable to Forward” marked on the envelopes and the certified mailings were returned with “Unable to Forward” also marked on the envelopes. Service in this manner upon Fredericks and Renaissance is proper and lawful service pursuant to N.J.A.C. 11:17D-2.1(a)3.

6. Under cover letter dated April 24, 2017, our office served Fredericks and Renaissance with Order to Show Cause No. E17-28 at Fredericks’ resident address on file with the Department. Specifically, the cover letter and Order to Show Cause were sent via certified mail, return receipt requested, and regular mail to Fredericks’ last known resident address on file with the Department at 32 Fallsington Place, Crosswicks, New Jersey 08515.

7. The certified mailings were returned with “Return to Sender-Unable to Forward” marked on the envelopes and the regular mailings were not returned to this office.

8. By three separate cover letters dated May 9, 2017, our office mailed the Order to Show Cause to Fredericks and Renaissance at what were believed to be potential current residence addresses of Fredericks. Specifically, the cover letter and Order to Show Cause were sent via certified mail, return receipt requested, and regular mail to Fredericks and Renaissance at: a) 335

E. Linton Blvd., Apt. 2072, Delray Beach, FL, 33483; b) 64 46<sup>th</sup> Street, Weehawken, NJ 07086; and c) 33 McAdoo Avenue, Jersey City, NJ 07305.

9. The regular mailings were returned from the Delray Beach address with "Return to Sender-Unable to Forward" marked on the envelopes and the certified mailings were also returned with "Return to Sender-Unable to Forward" marked on the envelopes.


10. The regular mailings were returned from the Weehawken address with "Return to Sender-Unable to Forward" marked on the envelopes and the certified mailings were also returned with "Return to Sender-Unable to Forward" marked on the envelopes.

11. Neither the regular or certified mailings from the Jersey City address were returned to this office. The certified mailing receipt card was also not returned to this office.

12. The Commissioner has exercised due diligence in the service of the Order to Show Cause upon Respondents Fredericks and Renaissance.

13. Pursuant to N.J.S.A. 11:17D-2.1(a)3, service of the Order to Show Cause on the last known business and mailing addresses of Respondents on file with the Department as described above constitutes lawful service upon Respondents.

I certify that the foregoing statements made by me are true. I am aware that if any of the foregoing statements made by me are willfully false, I am subject to punishment.

  
\_\_\_\_\_  
Carl M. Bornmann  
Deputy Attorney General

Dated: 10-19-17

EXHIBIT B

Proceedings by the Commissioner )  
of Banking and Insurance, State )  
of New Jersey, to fine, suspend )  
and/or revoke the insurance )  
producer licenses of Susan )  
J. Fredericks, Reference No. )  
0206692 and Renaissance Title )  
Agency, LLC, Reference No. )  
1097314 )

**CERTIFICATION OF COSTS  
BY INVESTIGATOR  
ANIL PATEL**

I, Anil Patel, of full age, do of my own personal knowledge make the following statements by way of certification in lieu of affidavit pursuant to R. 1:4-4(b):

1. I am an investigator with the New Jersey Department of Banking and Insurance, Division of Enforcement and Consumer Protection (“Department”).
2. This certification is submitted in support of the Department’s application for reimbursement of its costs of investigation and prosecution, in accordance with N.J.S.A. 17:22A-45(c).
3. On or about July 24, 2014 I was assigned responsibility for conducting an investigation to determine whether Susan J. Fredericks and Renaissance Title Agency, LLC may have violated certain provisions of the New Jersey Insurance Producer Licensing Act of 2001, N.J.S.A. 17:22A-26 et seq. (the “Producer Act”) and related insurance regulations.
4. To determine the amount of time that I spent in the investigation and prosecution of this matter, I reviewed my files relative to this matter, including my time records. On the basis of this review, I have prepared the below schedule of costs:

DATE	TIME IN HRS.	PHONE	CASE PREP.	COMMENTS
10/20/2014	0.25	X		Called attorney Paul O'Reilly and left a message. Called Renaissance Title and left a message.
11/03/2014	1.00		X	Prepared and sent a letter of request to IP/OP.
11/03/2014 & 11/05/2014	0.50	X	X	Called attorney O'Reilly and requested the case related documents. Received and reviewed the case related documents.
11/13/2014	2.00		X	Prepared IR No. 1
12/09/2014	0.25		X	Prepared and sent the BFD advance search form.
1/07/2015	1.50		X	Obtained the BFD report and Prepared IR No. 2.
1/28/2015	0.25	X		Called attorney O'Reilly.
1/28/2015	3.00		X	Prepared F & E.
3/12/2015	0.50		X	Referred this file to AG's office.
<b>TOTAL TIME</b>	9.25	@ \$50.00 per hour		<b>=TOTAL COSTS OF INVESTIGATION - \$462.50</b>

5. As this schedule reflects, the investigative efforts expended by the Department of Insurance concerning this matter total 9 hours and 15 minutes. Pursuant to N.J.A.C. 11:1-32.4(b)(20), costs to the Department for the investigation and prosecution for violations of the Producer Act, are reimbursable at the rate of \$50.00 per hour, rounded to the nearest quarter hour.

6. I therefore request that the Department's costs of investigation and prosecution be reimbursed in the amount of \$462.50.

I certify that the foregoing statements made by me are true. I am aware that if any of the foregoing statements are willfully false, I am subject to punishment.

Anil Patel  
Anil Patel

Dated: 10/19/2017