

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 licenses of Angela)
Baldwin, Reference No. 9475713;)
The Baldwin Agency, LLC,)
Reference No. 129217; Marc A.)
Berg, Reference No. 1186800;)
Pinkham Agency, Inc., Reference)
No. 1010630; and BFA of New)
York, Inc., Reference No.)
1534497.)

**FINAL ORDER AS TO
ANGELA BALDWIN AND THE
BALDWIN AGENCY, LLC**

TO: Angela Baldwin
25 Kirk Street
West Orange, New Jersey 07052-5905

The Baldwin Agency, LLC
c/o Angela Baldwin
25 Kirk Street
West Orange, New Jersey 07052-5905

This matter, having been opened by the Commissioner of Banking and Insurance ("Commissioner"), State of New Jersey, upon issuance of Order to Show Cause No. E16-105 (the "Order to Show Cause") alleging that Angela Baldwin ("Baldwin"), The Baldwin Agency, LLC ("The Baldwin Agency" or "BA"), Marc A. Berg

("Berg"), Pinkham Agency, Inc. ("Pinkham"), and BFA of New York, Inc. ("BFA") may have violated various provisions of the insurance laws of the State of New Jersey; and

WHEREAS, Baldwin was licensed as a resident insurance producer pursuant to N.J.S.A. 17:22A-32, until the expiration of her license on August 31, 2015; and

WHEREAS, The Baldwin Agency was licensed as a resident business entity insurance producer pursuant to N.J.S.A. 17:22A-32, with Baldwin listed as the designated responsible licensed producer ("DRLP"), until the expiration of its license on May 31, 2014; and

WHEREAS, Baldwin and The Baldwin Agency are subject to the provisions of the New Jersey Insurance Producer Licensing Act of 2001 ("Producer Act"), N.J.S.A. 17:22A-26, et seq., and the rules governing same; and

WHEREAS, pursuant to N.J.S.A. 17:22A-40a(2), an insurance producer shall not violate any insurance laws, regulations, subpoenas or orders 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 business 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(12), an insurance producer shall not knowingly accept insurance business from an unlicensed insurance producer; and

WHEREAS, pursuant to N.J.S.A. 17:22A-40a(17), an insurance producer shall not knowingly facilitate or assist another person in violating any insurance laws; 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. 11:17A-1.3(d), no licensed insurance producer shall permit or allow any unlicensed person to transact the business of an insurance producer; and

WHEREAS, pursuant to N.J.A.C. 11:17B-3.1(b), any insurance producer charging a fee to an insured or prospective insured

shall first obtain from the insured or prospective insured a written agreement, which shall be separate and apart from all other agreements and applications, and shall contain the following provisions and no other provisions: 1. A clear statement of the amount of the fee to be charged and the nature of the service to be provided therefor; 2. A statement that such fees are not a part of the premium charged by the insurance company and that such fees can be charged only if the insured or prospective insured so consents in writing; 3. A clear statement as to whether a commission will be received from the purchase of insurance; and 4. The signature of the insured or prospective insured and the licensed insurance producer and the date of execution of the agreement; and

WHEREAS, pursuant to N.J.A.C. 11:17B-3.2(a)1, an insurance producer may charge a fee for services rendered in the sale or service of personal lines property/casualty or, where the producer is the originating or retail producer, in the sale or service of personal lines surplus lines insurance, provided a service fee for any one policy shall not exceed \$20.00; and

WHEREAS, pursuant to N.J.A.C. 11:17C-2.3(a), an insurance producer shall establish and maintain a trust account into which shall be deposited cash, checks and other instruments payable to

the insurance producer under certain circumstances; and

WHEREAS, pursuant to N.J.A.C. 11:17C-2.4(a), each insurance producer shall issue a receipt for each premium for any payment, premium deposit or installment payment which is submitted by personal delivery or when a receipt is requested, and shall maintain a copy of each receipt issued; and the receipt shall be furnished at the time payment is tendered; and

WHEREAS, pursuant to N.J.A.C. 11:17C-2.4(b), each receipt and receipt book maintained by an insurance producer shall: 1. Be sequentially prenumbered or otherwise provide documentation of the sequence in which the receipts are issued; 2. Be clearly signed by the insurance producer or his or her authorized employee, and the name of the insurance producer shall be typed or legibly printed below the signature; 3. Indicate the name of the insured; 4. Indicate the name of the insurance company when known, or the name of the residual market mechanism or other insurance producer, if applicable; 5. Indicate the name, address and telephone number of the insurance agency; 6. Indicate the date and type of coverage; 7. Indicate the date of transaction; 8. Indicate the purpose of the payment if it is other than a premium payment; and 9. Indicate the amount of remittance; 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; additionally, the Commissioner or a 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. 11:17-2.8(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, email address; moreover individual licensees shall also provide the Department with a complete and current residence address, phone number and, if applicable, email address, and are required to notify the Department of any change in 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 an

administrative penalty is imposed, 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 notice 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)2, the notice may describe more than one violation; 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 November 1, 2016, the Commissioner issued Order to Show Cause No. E16-105, alleging violations of New Jersey insurance laws by Baldwin and the Baldwin Agency as set forth in the following Counts:

COUNT 1

IT FURTHER APPEARING that at all relevant times, Baldwin was a DRLP and CEO/President of BA; and

IT APPEARING that on or about October 31, 2011, and on August 28, 2012, BFA entered into a producer agreement with BA; and

IT FURTHER APPEARING that the two producer agreements had the following provision: "[BA] does not have any right or authority to bind or accept any risk on behalf of BFA or its principals without first obtaining authority from a duly authorized representative of BFA;" and

IT FURTHER APPEARING that the two producer agreements had the following provision: "It is the sole responsibility of [BA] to guarantee prompt payment of all earned premiums to BFA . . . such charges are fully earned on binding and [BA] agrees to pay such charges in full to BFA; and

IT FURTHER APPEARING that at all relevant times, BFA was a licensed insurance producer in New York State; and

IT FURTHER APPEARING that BFA first obtained a New Jersey insurance producer license on October 15, 2013; and

IT FURTHER APPEARING that before BFA was licensed in New Jersey, Baldwin and/or BA placed at least seven (7) insurance contracts for New Jersey insureds through BFA; and

IT FURTHER APPEARING that when receiving deposits of insurance premiums from New Jersey insureds for their insurance policies, BA and/or Baldwin sent these deposit proceeds to BFA; and

IT FURTHER APPEARING that before BFA was licensed as an insurance producer in New Jersey, BFA received at least seven (7) deposits of insurance premiums from BA for insurance policies procured for New Jersey insureds; and

IT FURTHER APPEARING that BFA remitted commission premiums to Baldwin and/or BA for the insurance policies that BA procured for New Jersey insureds through BFA; and

IT FURTHER APPEARING that by placing at least seven (7) insurance applications for New Jersey insureds through BFA before it was licensed to conduct insurance business in New Jersey, Baldwin and BA violated N.J.S.A. 17:22A-40a(2), (8), (12), and (17), and N.J.A.C. 11:17A-1.3(d); and

IT FURTHER APPEARING that each act of placing insurance business through BFA before it was licensed in New Jersey constitutes a separate violation of the Producer Act; and

COUNT 2

IT FURTHER APPEARING that on or about March 1, 2013, Baldwin and/or BA assisted Magnolia Supermarket ("Magnolia"), a New Jersey domiciled corporation, to renew its business owners insurance policy and on or about March 20, 2013, Baldwin and/or BA assisted Magnolia in procuring a workers' compensation insurance policy; and

IT FURTHER APPEARING that at no time did Magnolia and BA have a signed written fee agreement; and

IT FURTHER APPEARING that despite having no such written fee agreement, BA and/or Baldwin charged Magnolia a \$250 service fee for each of the two insurance policies

Magnolia purchased; and

IT FURTHER APPEARING that by charging Magnolia a fee without a written and signed fee agreement, Baldwin and BA violated N.J.S.A. 17:22A-40a(2) and (8), and N.J.A.C. 11:17B-3.1(a) and(b); and

COUNT 3

IT FURTHER APPEARING that at no time did BA maintain a business trust account for premiums collected from the insureds for their insurance policies; and

IT FURTHER APPEARING that Baldwin deposited said insurance premiums, including premiums paid by Magnolia, to the BA business non-trust account; and

IT FURTHER APPEARING that by failing to maintain a business trust account for collected premiums, Baldwin and BA violated N.J.S.A. 17:22A-40a(2) and (8), and N.J.A.C. 11:17C-2.3(a); and

IT FURTHER APPEARING that each act of deposit of insurance premiums in a non-trust account constitutes a separate violation of the Producer Act; and

COUNT 4

IT FURTHER APPEARING that when receiving insurance premiums from insureds for their insurance policies, BA and/or Baldwin issued receipts that did not contain the typed name of the insurance producer, the name of the insurance company or the name, address and telephone number of the insurance agency, in violation of N.J.S.A. 17:22A-40a(2) and (8), and N.J.A.C. 11:17C-2.4(b); and

IT FURTHER APPEARING that each act of issuance of non-compliant cash receipts

constitutes a separate violation of the
Producer Act; and

WHEREAS, as set forth in the Certification of Service of
Garen Gazaryan, Deputy Attorney General, attached hereto as
Exhibit "A", Baldwin and The Baldwin Agency were given notice of
the aforesaid charges and an opportunity to contest the charges
at a hearing pursuant to the Order to Show Cause, which was duly
served by certified and regular mail upon Baldwin and The
Baldwin Agency at their last known business and mailing address,
according to files maintained by the Department, in accordance
with N.J.A.C. 11:17D-2.1(a)3; and

WHEREAS, although due notice of the charges provided an
opportunity to oppose the allegations, Baldwin and The Baldwin
Agency failed to provide written responses to the charges
contained in the Order to Show Cause within 20 days as provided
by N.J.A.C. 11:17D-2.1(d), and therefore Baldwin and The Baldwin
Agency have waived their right to a hearing to contest these
charges and the charges are deemed admitted, pursuant to
N.J.A.C. 11:17D-2.1(b)1; and

NOW, THEREFORE, IT IS on this 30th day of March, 2017:

ORDERED that the charges contained in Order to Show Cause
No. E16-105 are deemed admitted by Baldwin and The Baldwin
Agency due to their failure to respond to the alleged

violations, 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 Baldwin and The Baldwin Agency 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, Baldwin and The Baldwin Agency shall be responsible for the payment of civil penalties for violations of the Producer Act as follows:

Count 1: Angela Baldwin and The Baldwin Agency shall pay civil penalties in the amount of \$5,000.00, jointly and severally, for placing at least seven insurance applications for New Jersey insureds through BFA before it was licensed to conduct insurance business in New Jersey; and

Count 2: Angela Baldwin and The Baldwin Agency shall pay civil penalties in the amount of \$5,000.00, jointly and severally, for charging a customer a fee above \$20 and without a written and signed fee agreement; and

Count 3: Angela Baldwin and The Baldwin Agency shall pay civil penalties in the amount of \$5,000.00, jointly and severally, for failing to maintain a business trust account for insurance premiums collected from customers; and

Count 4: Angela Baldwin and The Baldwin Agency shall pay civil penalties in the amount of \$5,000.00, jointly and severally, for failing to issue premium receipts with required information; 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, Baldwin and The Baldwin Agency shall reimburse the Department of Banking and Insurance, jointly and severally, for the costs associated with the investigation of this matter, as evidenced by the Certification of Investigator Thomas Ritardi, attached hereto as Exhibit B, totaling \$862.50; and

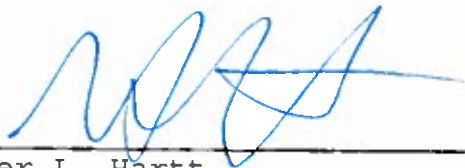
IT IS FURTHER ORDERED that Baldwin and The Baldwin Agency shall pay in full the above fines and costs totaling \$20,862.50 by remitting payment to the Commissioner of Banking and Insurance, State of New Jersey, 20 West State Street, P.O. Box 329, Trenton, New Jersey 08625, Attention: Virgil Downtin, 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 and costs are 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, 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 as contained in Order to Show Cause No. E16-105 as to Baldwin and The Baldwin Agency.



Peter L. Hartt
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 licenses of Angela Baldwin, Reference No. 9475713; The Baldwin Agency, LLC, Reference No. 129217; Marc A. Berg, Reference No. 1186800; Pinkham Agency, Inc., Reference No. 1010630; and BFA of New York, Inc., Reference No. 1534497.

**CERTIFICATION OF DEPUTY
ATTORNEY GENERAL GAREN
GAZARYAN**

I, Garen Gazaryan, 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 the Final Order in the above-captioned case against Respondents Angela Baldwin ("Baldwin") and The Baldwin Agency, LLC ("BA").

2. On November 1, 2016, the Commissioner issued Order to Show Cause No. E16-105 against Respondents Baldwin and BA 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, 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. Under cover letter dated November 11, 2016, our office served Respondent Baldwin with Order to Show Cause No. E16-105 at her last known mailing address on file with the New Jersey Department of Banking and Insurance. Specifically, the cover letter and Order to Show Cause were sent via certified mail, return receipt requested, and regular mail to Respondent Baldwin's last known mailing address at 25 Kirk Street, West Orange, New Jersey 07052.

5. The regular mailing was not returned to my office and the certified mailing was returned "Refused". A true and exact copy of the "Refused" certified mailing is attached as Exhibit 1. Therefore, service upon Respondent Baldwin is proper and lawful service pursuant to N.J.A.C. 11:17D-2.1(a)3.

6. Under cover letter dated November 11, 2016, our office served Respondent BA with Order to Show Cause No. E16-105 at its last known mailing and business address on file with the New Jersey Department of Banking and Insurance. Specifically, the cover

letter and Order to Show Cause were sent via certified mail, return receipt requested, and regular mail to Respondent BA's last known mailing and business address at 25 Kirk Street, West Orange, New Jersey 07052.

7. The regular mailing was not returned to my office and the certified mailing was returned "Refused". A true and exact copy of the "Refused" certified mailing is attached as Exhibit 2. Therefore, service upon Respondent BA is proper and lawful service pursuant to N.J.A.C. 11:17D-2.1(a)3.

8. Therefore, pursuant to N.J.S.A. 11:17D-2.1(a)3, service of Order to Show Cause as described above constitutes lawful service upon Respondents Baldwin and BA.

9. To this day, Respondents Baldwin and BA did not request a hearing or otherwise defend in this action.

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.



Garen Gazaryan
Deputy Attorney General

Dated: 3/28/2017

Exhibit 1



7014 2120 0002 7017 1614



From: Garen Gazaryan, DAG

DEPARTMENT OF LAW AND PUBLIC SAFETY

Richard J. Hughes Justice Complex

DIVISION OF LAW P.O. BOX 117 TRENTON, NJ 08625

To:

TF

Refused

NIXIE 00005075-IN 12/11

RETURN TO SENDER
UNABLE TO FORWARD
UNABLE TO FORWARD
RETURN TO SENDER



Exhibit 2

URGENT



7014 2120 0002 7017 1607



From: Garen Gazaryan, DAG
DEPARTMENT OF LAW AND PUBLIC SAFETY
Richard J. Hughes Justice Complex
DIVISION OF LAW P.O. BOX 117 TRENTON, NJ 08625

UTF

Refer

NEEZE

000002153-1N

12/18/16

RETURN TO SENDER
UNABLE TO FORWARD
RETURN TO SENDER



EXHIBIT B

STATE OF NEW JERSEY
DEPARTMENT OF BANKING AND INSURANCE

Proceedings by the Commissioner of)
Banking and Insurance, State of)
New Jersey, to fine, suspend)
and/or revoke the insurance)
producer licenses of Angela)
Baldwin, Reference No. 9475713;)
The Baldwin Agency, LLC, Reference)
No. 129217; Marc A. Berg,)
Reference No. 1186800; Pinkham)
Agency, Inc., Reference No.)
1010630; and BFA of New York,)
Inc., Reference No. 1534497.)

**CERTIFICATION OF COSTS BY
INVESTIGATOR THOMAS F.
RITARDI**

I, Thomas F. Ritardi, 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 Supervisor of Investigations at 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. In July 2013, I was assigned responsibility for conducting an investigation to determine whether Respondents Angela Baldwin and The Baldwin Agency, LLC may have violated

certain provisions of the New Jersey Producer Licensing Act of 2001, N.J.S.A. 17:22A-26, et seq., 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 SPENT HOURS/MINS	PHONE	CASE REVIEW	OTHER/ COMMENTS
7/3/13	.50		X	Complaint
	.50		X	License Status
	1.50		X	Letters to Complainant (C) / Baldwin (B)
7/24/13	.25		X	Letter to B
7/30/13	.50		X	Letter to C
8/13/13	1.25		X	Letters to C and B
8/20/13	1.25		X	Investigation report (JR) No. 1
9/4/13	.75	X		With B
9/9/13	.25		X	Letter to C
	1.00		X	Detailed Letter to B
9/17/13	.25		X	Letter to C

1/15/14	1.50		X	File Review/ IR No. 2
7/1/14	.25		X	Fraud Deterrent
7/14/14	3.50		X	File Review/Factual Evidence and Summary Report F&E)
8/15/14	.75		X	F&E Revised
1/4/17	.25		X	Certification
1/13/17	3.00		X	File/Document Review and Investigation Cost
TOTAL	17.25			

5. As this schedule reflects, the investigative efforts expended by the Department of Insurance concerning this matter total 17 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 New Jersey Insurance Producer Licensing Act, N.J.S.A. 17:22A-40, 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 \$862.50.

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.



Thomas F. Ritardi

Dated: February 3, 2017.