

STATE OF NEW JERSEY
DEPARTMENT OF BANKING AND INSURANCE

IN THE MATTER OF:

Proceedings by Richard J. Badolato,) **FINAL ORDER AS TO**
Commissioner of Banking and) **SUKWOONG YOON**
Insurance, to fine, suspend and/or)
revoke the insurance producer)
license of Sukwoong Yoon, a/k/a)
Christopher Yoon, Reference No.)
1181267)

TO: Sukwoong Yoon
70 Colgate Avenue
Paramus, NJ 07652

Sukwoong Yoon
11 Sunflower Avenue
Paramus, NJ 07652

This matter, having been opened by the Commissioner of Banking and Insurance ("Commissioner"), State of New Jersey, upon information that Sukwoong Yoon, also known as Christopher Yoon ("Yoon" or "Respondent"), may have violated various provisions of the insurance laws of the State of New Jersey; and

WHEREAS, Yoon was licensed as a resident insurance producer, pursuant to N.J.S.A. 17:22A-32, until his license expired on January 31, 2016; and

WHEREAS, Yoon is 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 regulations

governing Insurance Producer Standards of Conduct, 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 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(4), an insurance producer shall not improperly withhold, misappropriate, or convert any monies or properties received in the course of doing insurance business; and

WHEREAS, pursuant to N.J.S.A. 17:22A-40a(5), an insurance producer shall not intentionally misrepresent the terms of an actual or proposed insurance contract, policy, or application for insurance; 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 violating any provision of the Producer Act shall be liable for

a civil penalty not exceeding \$5,000 for the first offense and not exceeding \$10,000 for each subsequent offense, as well as restitution of moneys owed any person and reimbursement of the costs of investigation and prosecution; and

WHEREAS, pursuant to N.J.A.C. 11:17-2.8(f), all licensees shall provide the New Jersey Department of Banking and Insurance (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; 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 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 imposing an administrative penalty, the Department shall direct a notice 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)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, the Commissioner issued Order to Show Cause No. E16-114 (the "OTSC") on December 6, 2016, alleging violations of New Jersey insurance laws by Yoon as set forth in the following Counts:

(ALLEGATIONS COMMON TO ALL COUNTS)

IT APPEARING that at all times relevant hereto, Respondent was a registered insurance agent of Prudential Life Insurance Company ("Prudential"); and

IT FURTHER APPEARING that, on or about July 8, 2011, Respondent sold to C.I. a Prudential life insurance policy in the face amount of \$650,000 ("Policy"); and

IT FURTHER APPEARING that C.I.'s wife, E.K., was listed as the sole beneficiary under the Policy; and

IT FURTHER APPEARING that C.I. died on May 2, 2014; and

IT FURTHER APPEARING that on or about May 9, 2014, E.K. submitted a Life Insurance Death Benefits Claim Form and Certificate of Death for C.I. to Prudential; and

IT FURTHER APPEARING that Prudential issued a death benefit check in the amount of \$650,000 made payable to E.K. ("Death Benefit Check"); and

IT FURTHER APPEARING that the Death Benefit Check was sent directly to Respondent who was to deliver it to E.K.; and

IT FURTHER APPEARING that Respondent contacted E.K. and told her that he would not turn over the Death Benefit Check to her until she paid him a \$55,445.84 "penalty"; and

IT FURTHER APPEARING that Respondent told E.K. that this "penalty" represented outstanding premium payments because C.I. had passed away within three years of the Policy's inception date; and

IT FURTHER APPEARING that no penalty or outstanding premiums were owed in connection with the Policy; and

IT FURTHER APPEARING that Respondent told E.K. to write a check in the amount of \$55,445.84, but to leave the "payable to" line blank; and

IT FURTHER APPEARING that after E.K. told Respondent she did not have sufficient

funds to pay the penalty, Respondent instructed her to provide him with the \$55,445.84 check and he would wait to cash it until the funds from the Death Benefit Check were deposited in E.K.'s checking account; and

IT FURTHER APPEARING that E.K. gave Respondent a check for \$55,445.84 as requested by Respondent; and

COUNT 1

IT FURTHER APPEARING that, by telling E.K. that she owed a \$55,445.84 penalty when, in fact, he knew that no such penalty had been assessed, Respondent intentionally misrepresented the terms of an actual insurance contract or policy, in violation of N.J.S.A. 17:22A-40a(2) and (5); and

IT FURTHER APPEARING that, by refusing to turn over the Death Benefit Check to E.K. until she provided him with a \$55,445.84 check, Respondent improperly withheld, misappropriated or converted money received in the course of doing insurance business, in violation of N.J.S.A. 17:22A-40a(2) and (4); and

IT FURTHER APPEARING that, by attempting to obtain \$55,445.84 from E.K. under false pretenses, Respondent committed a fraudulent act, used fraudulent, coercive, or dishonest practices, and demonstrated incompetence, untrustworthiness, or financial irresponsibility in the conduct of insurance business, in violation of N.J.S.A. 17:22A-40a(2), (8) and (16); and

IT FURTHER APPEARING that, in accepting the \$55,445.84 "penalty" check from E.K. when he knew that no penalty had been assessed, Respondent committed a fraudulent act, used fraudulent, coercive, or dishonest

practices, and demonstrated incompetence, untrustworthiness, or financial irresponsibility in the conduct of insurance business, in violation of N.J.S.A. 17:22A-40a(2), (8) and (16); and

WHEREAS, as set forth in the Certification of Service of Richard E. Wegryn, Jr., Deputy Attorney General, attached hereto as Exhibit A, Yoon was given notice of the aforesaid charges and an opportunity to contest the charges at a hearing pursuant to OTSC, which was duly served by certified and regular mail upon Yoon at his 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, as set forth in the Certification of Service of Richard E. Wegryn, Jr., Deputy Attorney General, attached hereto as Exhibit A, under cover letter dated December 9, 2016, the OTSC was successfully delivered by certified and regular mail to Yoon at his residence address at 70 Colgate Avenue, Paramus, NJ 07652 as evidenced by the fact that the regular mail was not returned and the certified mail was accepted; and

WHEREAS, as set forth in the Certification of Service of Richard E. Wegryn, Jr., Deputy Attorney General, attached hereto as Exhibit A, under cover letter dated December 9, 2016 the OTSC was successfully delivered by regular mail to Yoon at his business address at 11 Sunflower Avenue, Paramus, NJ 07652

as evidenced by the fact that the regular mail was not returned;
and

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

NOW, THEREFORE, IT IS on this 13TH day of June, 2017:

ORDERED that the charges contained in Order to Show Cause No. E16-114 are deemed admitted by Yoon 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 license of Yoon is hereby **REVOKED** effective upon the execution of this Final Order; and

IT IS FURTHER ORDERED that, pursuant to N.J.S.A. 17:22A-45c, Yoon shall be liable for the payment of a civil penalty in the amount of \$5,000 for the violations of the Producer Act as set forth in Count 1 of the OTSC; 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, Yoon shall reimburse the Department for the costs associated with the investigation of this matter, as evidenced by the Certification of Investigator Eugene Shannon, attached hereto as Exhibit B, totaling \$2,000.00; and


IT IS FURTHER ORDERED that Yoon shall pay the above fines and costs totaling \$7,000.00 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 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.; and

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 Order to Show Cause No. E16-114.



Peter L. Hartt
Director of Insurance

EXHIBIT A

STATE OF NEW JERSEY
DEPARTMENT OF BANKING AND INSURANCE

IN THE MATTER OF:

Proceedings by Richard J. Balolato,)	
Commissioner of Banking and Insurance,)	CERTIFICATION OF
to fine, suspend and/or revoke the)	DEPUTY ATTORNEY
insurance producer license of Sukwoong)	GENERAL RICHARD
Yoon, a/k/a Christopher Yoon,)	E. WEGRYN, JR.
Reference No. 1181267)	

I, Richard E. Wegryn, Jr., 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 Richard J. Badolato, Commissioner, New Jersey Department of Banking and Insurance ("Commissioner"), in the above-captioned matter. I make this certification in support of entry of the Final Order in the above-captioned case against Respondent Sukwoong Yoon, also known as Christopher Yoon ("Respondent").

2. On December 6, 2016, the Commissioner issued Order to Show Cause No. E16-114 against Respondent charging him with violations of the insurance laws of this State pursuant to N.J.S.A. 17:22A-26 et seq.

3. Under cover letter dated December 9, 2016, our office served Respondent with Order to Show Cause No. E16-114 at Respondent's residential address. Specifically, the cover letter and Order to Show Cause were sent via certified mail, return receipt requested, and regular mail to Respondent's residential address at 70 Colgate Avenue, Paramus, New Jersey 07652.

4. Respondent was successfully served at 70 Colgate Avenue, Paramus, New Jersey 07652 as evidenced by the fact that the regular mail was not returned and the certified mail was accepted.

5. Under cover letter dated December 9, 2016, our office served Respondent with Order to Show Cause No. E14-114 at the last known business address on record for Respondent. Specifically, the cover letter and Order to Show Cause were sent via certified mail, return receipt requested, and regular mail to Respondent at the last known business address for him at 11 Sunflower Avenue, Paramus, New Jersey 07652.

6. Respondent was also successfully served at 11 Sunflower Avenue, Paramus, New Jersey 07652 as evidenced by the fact that the regular mail was not returned.

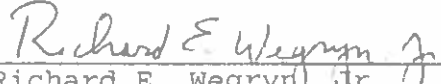
7. Pursuant to N.J.S.A. 11:17D-2.1(a)3, service of the Order to Show Cause in this manner constitutes lawful service upon Respondent.

8. The successful service of the Order to Show Cause to Respondent provided Respondent with an opportunity to contest the

charges of Order to Show Cause No. E16-114 at a hearing, and provided that Respondent must file with the Commissioner an Answer to the charges of the Order to Show Cause, including a Request for a Hearing, within twenty (20) days of service of the Order to Show Cause upon Respondent.

9. To date, Respondent Sukwoong Yoon, also known as Christopher Yoon has failed to provide sufficient written response to the charges contained in Order to Show Cause No. E16-114 within 20 days as provided by N.J.A.C. 11:17D-2.1(d).

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.


Richard E. Wegryn, Jr.
Deputy Attorney General

Dated: June 12, 2017

EXHIBIT B

Proceedings by Richard J. Badolato,)
Commissioner of Banking and) CERTIFICATION OF COSTS
Insurance, to fine, suspend and/or) BY INVESTIGATOR
revoke the insurance producer license) EUGENE SHANNON
of Sukwoong Yoon a/k/a Christopher)
Yoon, Reference No. 1181267)

I, Eugene Shannon, 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 Insurance, Consumer Protection Services ("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 September 22, 2014, I was assigned responsibility for conducting an investigation to determine whether Sukwoong Yoon, also known as Christopher Yoon, may have violated certain provisions of the New Jersey Insurance Producer Licensing Act of 2001, N.J.S.A. 17:22A-26, et seq. ("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
9/22/14	1.0			Review new complaint
9/23/14	1.0			License checks
9/23/14-5/5/15	4.0	X		Telephone calls to respondent, complainant and insurance company personnel
10/6/14	1.0			Review FINRA Order
10/13/14	4.0			Review of Prudential Ins. Documents
11/13/14	2.0		X	Produce Investigative Report #1
9/23/14-1/22/15	5.5			Interviews of Respondent, Complainants and witnesses
12/19/14	4.0			Travel to interview Respondent Yoon
9/23/14-10/25/16	3.5			Email communications to persons involved in investigation
10/24/14-3/12/15	3.0			3 letters to Respondent
1/15/15	2.0		X	Investigative report #2
2/24/15	1.0		X	BFD Check for active file
3/11/15	2.5		X	Production of F&E Report
3/12/16	1.0		X	Production of hearing request BKI Transmittal
12/1/16	2.0		X	Review of Order to Show Cause
3/30/17	2.5		X	Prepare certification of Costs
TOTAL TIME	40	@ \$50.00 per hour		=TOTAL COSTS OF INVESTIGATION - \$2,000

5. As this schedule reflects, the investigative efforts expended by the Department concerning this matter total 40 hours and 0 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 \$2,000.

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.



Eugene Shannon

Dated: April 3, 2017.