

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	)	CONSENT
Theodore Liftman Insurance Inc., Reference No.	)	ORDER
9584776 and Theodore Liftman,	)	
Reference No. 9584775	)	

To: Theodore Liftman	Theodore Liftman Insurance Inc.
27 Mohawk Road	101 Federal Street
Canton, MA 02021	Boston, MA 02110

This matter, having been opened by the Commissioner of Banking and Insurance (“Commissioner”), State of New Jersey, upon information that Theodore Liftman (“Liftman”), currently licensed as a nonresident insurance producer, pursuant to N.J.S.A. 17:22A-34a, and Theodore Liftman Insurance Inc. (“TLI”), currently licensed as a non-resident business entity insurance producer, pursuant to N.J.S.A. 17:22A-34a, may have violated various provisions of the insurance laws of the State of New Jersey; and

WHEREAS, TLI and Liftman (collectively the “Respondents”) 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”); and

WHEREAS, pursuant to N.J.S.A. 17:22-6.42(c), if certain insurance coverages of subjects resident, located, or to be performed in this State cannot be procured from authorized insurers, such coverages, hereinafter designated “surplus lines,” may be procured from unauthorized insurers, provided, among other things, that the insurance must be placed through a licensed New Jersey surplus lines agent; and

WHEREAS, pursuant to N.J.S.A. 17:22A-29, an insurance producer shall not sell, solicit or negotiate insurance in this State unless the person is licensed for that line of authority in accordance with the Producer Act; and

WHEREAS, pursuant to N.J.S.A. 17:22A-40a(2), no insurance producer shall 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), no insurance producer shall 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.A.C. 11:17A-1.3(a), except as provided in N.J.A.C. 11:17B-2.1(b) or (e), no insurance producer shall act as an insurance producer or maintain or operate any office in this State for the transaction of the business of an insurance producer, or receive any commission, brokerage fee, compensation or other consideration for services rendered as an insurance producer, without first obtaining a license from the Commissioner granting authority for the kind of insurance transacted; and

WHEREAS, TLI became licensed with surplus lines authority effective March 9, 2017; and

WHEREAS, Liftman has never been licensed with surplus lines authority; and

WHEREAS, Liftman was the designated responsible licensed producer of TLI until March 10, 2017; and

WHEREAS, between March 20, 2014 and July 8, 2016, Respondents placed surplus lines coverage for seven New Jersey business entities without having surplus lines authority, in

violation of N.J.S.A. 17:22-6.42(c), N.J.S.A. 17:22A-29, N.J.S.A. 17:22A-40a(2) and (8) and N.J.A.C. 11:17A-1.3(a); and

WHEREAS, TLI was previously fined by the New Jersey Department of Banking and Insurance (“Department”) for placing surplus lines coverage without first obtaining surplus lines authority; and

WHEREAS, the Respondents:

- 1) Have admitted responsibility for the aforementioned violations; and
- 2) Have cooperated with the investigation conducted by the Department; and
- 3) Have asserted that the violations cited in this Consent Order were not willful; and

WHEREAS, cause does exist under N.J.S.A. 17:22A-40a and N.J.S.A. 17:22A-45c, to impose a fine; and

WHEREAS, the Respondents have waived their right to a hearing on the aforementioned violations and consented to the payment of a fine in the amount of \$5,000.00; and

WHEREAS, this matter should be resolved upon the consent of the parties without resort to a formal hearing;

NOW, THEREFORE, IT IS on this *6<sup>th</sup>* day of *July*, 2017

ORDERED AND AGREED, that the Respondents pay a fine in the amount of \$5,000.00 to the Department; and

IT IS FURTHER ORDERED AND AGREED, that said fine shall be paid by certified check, cashier’s check or money order made payable to the “State of New Jersey, General Treasury”; and

IT IS FURTHER ORDERED AND AGREED, that the signed Consent Order, together with the fine payment of \$5,000.00, shall be remitted to:


New Jersey Department of Banking and Insurance  
Attention: Virgil Downtin - Chief of Investigations  
9<sup>th</sup> Floor, Consumer Protection Services, Enforcement  
P.O. Box 329  
Trenton, New Jersey 08625-0329

and

IT IS FURTHER ORDERED AND AGREED, that in the event full payment of the fine 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 summary proceedings, in accordance with the penalty enforcement law, N.J.S.A. 2A:58-10 et seq.; and

IT IS FURTHER ORDERED AND AGREED, that the provisions of this Consent Order represent a final agency decision and constitute a final resolution of the violations contained herein; and

IT IS FURTHER ORDERED AND AGREED, that the Respondents shall cease and desist from engaging in the conduct that gave rise to this Consent Order.

  
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Peter L. Hart  
Director of Insurance

Consented to as to Form,  
Entry and Content


Theodore Liftman Insurance Inc.

By:   
Theodore Liftman

Date: 6/23/17

  
Theodore Liftman, Individually

Date: 6/23/17

  
Dated: 6/23/17

