

ORDER TO SHOW CAUSE NO. E14-95

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)
Quinton A. Long, Reference No.)
9778411)

ORDER TO SHOW CAUSE

TO: Quinton A. Long
25 Chestnut Street
Mount Holly, New Jersey 08060

THIS MATTER, having been opened by the Commissioner of Banking and Insurance ("Commissioner"), State of New Jersey, upon information that Quinton A. Long ("Long"), may have violated various provisions of the insurance laws of the State of New Jersey; and

WHEREAS, Long was licensed as an individual insurance producer, pursuant to N.J.S.A. 17:22A-32 until his license expired on June 30, 2014; and

WHEREAS, Long is subject to the provisions of the New Jersey Insurance Producer Licensing Act ("Producer Act"), N.J.S.A. 17:22A-26, et seq., the Insurance Fraud Prevention Act ("Fraud Act"), N.J.S.A. 17:33A-1 et seq. and N.J.A.C.

11:16-7.1 et seq. and

WHEREAS, pursuant to N.J.S.A. 17:22A-40a(2), an insurance producer shall not violate any insurance law; and

WHEREAS, pursuant to N.J.S.A. 17:22A-40a(7), an insurance producer shall not have admitted to or found to have committed any unfair trade practice or fraud; 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 the insurance business; and

WHEREAS, pursuant to N.J.S.A. 17:22A-40a(10), an insurance producer shall not forge another's name to an application for insurance or to any document related to an insurance transaction; 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-40d, the Commissioner shall retain the authority to enforce the provisions of and impose any penalty or remedy authorized by the Producer Act against any person even if the person's license has been surrendered or has lapsed by operation of law; and

WHEREAS, pursuant to N.J.A.C. 11:17A-4.2, an insurance producer who takes an application for insurance shall be required to witness the signature of the prospective insured on the application prior to the submission of the application to the insurer; and

WHEREAS, pursuant to N.J.S.A. 17:33A-4a(4)(b), a person shall not prepare or make any written or oral statement, intended to be presented to any insurance company or producer for the purposes of obtaining an insurance policy, knowing that the statement contains any false or misleading information concerning any fact or thing material to an insurance application or policy; and

ALLEGATIONS COMMON TO ALL COUNTS

IT APPEARING that, at all relevant times, Long was a licensed insurance producer in New Jersey, until his insurance producer license expired on June 30, 2014; and

IT FURTHER APPEARING that, at all relevant times, Long was an agent for Allianz Life Insurance Company of North America ("Allianz") until his agency relationship was terminated for cause by Allianz on or about December 21, 2010; and

IT FURTHER APPEARING that, at all relevant times, Renee E. McKenzie ("McKenzie") is Long's aunt, or a relative, by his marriage to her niece; and

IT FURTHER APPEARING that on or about September 3, 2010, Long sold, solicited or negotiated insurance to McKenzie; and

IT FURTHER APPEARING that, on or about September 3, 2010, Long presented an insurance application for a fixed annuity to Allianz which was signed by McKenzie; and

IT FURTHER APPEARING that between September 4, 2010 and November 10, 2010, Allianz advised Long that three additional forms needed to be signed by McKenzie, which were to be included with the insurance application for a fixed annuity; and

COUNT 1

IT FURTHER APPEARING that, on or about November 10, 2010, Long presented to Allianz insurance application form ANN-01-NJ which appeared to have McKenzie's signature when, in fact, Long had forged her signature on the document in violation of N.J.S.A. 17:22A-40a(2), (7), (8), (10) and (16); and

COUNT 2

IT FURTHER APPEARING that, on or about November 10, 2010, Long presented to Allianz insurance application form SOU50915-5-NJ which appeared to have McKenzie's signature when, in fact, Long had forged her signature on the

document in violation of N.J.S.A. 17:22A-40a(2), (7), (8), (10) and (16); and

COUNT 3

IT FURTHER APPEARING that, on or about November 10, 2010, Long presented to Allianz insurance application form NB3033 which appeared to have McKenzie's signature when, in fact, Long had forged her signature on the document in violation of N.J.S.A. 17:22A-40a(2), (7), (8), (10) and (16); and

COUNT 4

IT FURTHER APPEARING that Long knowingly produced and presented to an insurance company forged documents, used fraudulent and dishonest practices, demonstrated incompetence and untrustworthiness in the conduct of insurance business, in violation of N.J.S.A. 17:22A-40a(2), (7), (8), (10) and (16); and

COUNT 5

IT FURTHER APPEARING that Long did not witness the signature of McKenzie on the insurance application dated September 3, 2010 and, because of Long's forgeries, did not witness the insurance application documents dated November 10, 2010 in violation of N.J.A.C. 11:17A-4.2; and

COUNT 6

IT FURTHER APPEARING that Long prepared and presented to Allianz three forged insurance application documents for the purpose of obtaining an insurance policy, knowing that the statements contained false and misleading information concerning the material fact that McKenzie's signature on the application was not genuine, in violation of N.J.S.A. 17:33A-4a(4)(b); and

NOW, THEREFORE, IT IS on this ^{3rd} day of ^{February}, 2014

ORDERED, that pursuant to the provisions of N.J.S.A. 17:22A-40a, Long shall appear and show cause why his insurance producer license shall not be revoked by the Commissioner; and

IT IS FURTHER ORDERED that Long shall appear and show cause why the Commissioner should not assess fines up to \$5,000.00 for the first violation and not exceeding \$10,000.00 for each subsequent violation, pursuant to the provisions of N.J.S.A. 17:22A-45c, due to his failure to comply with the Producer Act; and

IT IS FURTHER ORDERED that Respondent shall appear and show cause why the Commissioner should not assess fines not to exceed the amount of \$5,000 for the first offense, not to exceed \$10,000 for the second offense, and not to exceed

\$15,000 for each subsequent offense, as well as costs and attorneys' fees, pursuant to the provision of N.J.S.A. 17:33A-5b, N.J.A.C. 11:16-7.9(a) and be assessed a \$1,000 surcharge in accordance with N.J.S.A. 17:33A-5.1, for violations of the Fraud Act; and

IT IS FURTHER ORDERED that, pursuant to N.J.S.A. 17:22A-45c, Respondent shall appear and show cause why he should not be subject to additional penalties, including restitution and reimbursement of the costs of investigation and prosecution by the Department of Banking and Insurance; and

IT IS PROVIDED that Respondent has the right to request an administrative hearing, to be represented by counsel or other qualified representative, at his own expense, to take testimony, to call or cross-examine witnesses, to have subpoena and subpoena duces tecum issued and to present evidence or argument if a hearing is requested; and

IT IS FURTHER PROVIDED that, unless a request for a hearing is received within twenty (20) days of the service of this Order to Show Cause, the right to a hearing in this matter shall be deemed to have been waived by the Respondent and the Commissioner shall dispose of this matter in accordance with law. A hearing may be requested

by mailing the request to Virgil Downtin, Chief of Investigations, New Jersey Department of Banking and Insurance, P.O. Box 329, Trenton, N.J. 08625 or by faxing the request to the Department at (609) 292-5337. A copy of the request for a hearing shall also be sent to Deputy Attorney General Carl M. Bornmann at fax number (609) 777-3503. The request shall contain:

- (A) The licensee's name, address, and daytime telephone number;
- (B) A statement referring to each charge alleged in this Order to Show Cause and identifying any defense intended to be asserted in response to each charge. Where the defense relies on facts not contained in the Order to Show Cause, those specific facts must be stated;
- (C) A specific admission or denial of each fact alleged in this Order to Show Cause. Where the Respondents have no specific knowledge regarding a fact alleged in this Order to Show Cause, a statement to that effect must be contained in the hearing request. Allegations of this Order to Show Cause not answered in the manner set forth above shall be deemed to have been admitted; and
- (D) A statement requesting a hearing.



Peter L Hartt
Acting Director of Insurance