

ORDER NO. E17-41

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.) **CONSENT ORDER**
to fine, suspend and/or revoke the)
the insurance producer license of)
Jon Paul Vaccaro, Reference No. 1296459)

To: Jon Paul Vaccaro
292 Lanza Ave.
Saddle Brook, NJ 07663

This matter, having been opened by the Commissioner of Banking and Insurance ("Commissioner"), State of New Jersey, upon information that Jon Paul Vaccaro ("Respondent"), Reference No. 1296459, who is currently licensed as a resident individual insurance producer, pursuant to the New Jersey Insurance Producer Licensing Act of 2001, N.J.S.A. 17:22A-26 et seq. ("Producer Licensing Act"), may have violated various provisions of the insurance laws of the State of New Jersey; and

WHEREAS, Respondent is subject to both the Producer Licensing Act and the New Jersey Insurance Fraud Prevention Act, N.J.S.A. 17:33A-1 et seq. ("Fraud Act"); 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; 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 demonstrate incompetence in the conduct of insurance business; and

WHEREAS, pursuant to the provisions of N.J.S.A. 17:22A-40 and N.J.S.A. 17:22A-45c, the Commissioner may assess a fine of up to \$5,000.00 for the first violation, and \$10,000 for each subsequent violation, of the Producer Licensing Act; and may suspend or revoke an insurance producer's license for violating any one or more of the provisions of N.J.S.A. 17:22A-40; and

WHEREAS, pursuant to N.J.S.A. 17:33A-4a(4)(b), a person violates the Fraud Act if they prepare or make any written or oral statement, intended to be presented to any insurance company for the purpose 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 contract; and

WHEREAS, pursuant to N.J.S.A. 17:33A-5c and N.J.A.C. 11:16-7.9(a), violations of the Fraud Act subject the violator to a civil penalty of up to \$5,000.00 for the first offense; \$10,000.00 for the second offense; and \$15,000.00 for each subsequent offense. Additionally, the Commissioner may issue a final order recovering the costs of prosecution, including attorneys' fees, in accordance with N.J.A.C. 11:16-7.9(c); and

WHEREAS, pursuant to N.J.S.A. 17:33A-5.1, any person who settles an insurance fraud proceeding shall be subject to a surcharge of 5% of the settlement amount; and

IT APPEARING, Respondent admits that he knowingly submitted false and misleading statements to Primerica Life Insurance Company ("Primerica") on 10 life insurance applications between April 1, 2015 and July 1, 2015. Specifically, Respondent submitted life insurance applications to Primerica for fictitious persons, with fictitious information; and

IT FURTHER APPEARING, Respondent admits that the aforementioned conduct constitutes violations of N.J.S.A. 17:33A-4a(4)(b) of the Fraud Act, as well as violations of N.J.S.A. 17:22A-40a(2), (5), and (8) of the Producer Licensing Act; and

IT FURTHER APPEARING, cause does exist under N.J.S.A. 17:22A-40 and N.J.S.A. 17:22A-45c, N.J.S.A. 17:33A-5c and N.J.A.C. 11:16-7.9(a) to suspend Respondent's insurance producer license and to impose a fine against Respondent; and

IT FURTHER APPEARING, Respondent has waived his right to a hearing and consented to the suspension of his insurance producer for 6 months and payment of a fine in the amount of \$5,000.00, pursuant to the Producer Licensing Act, N.J.S.A. 17:22A-40 and N.J.S.A. 17:22A-45c; and

IT FURTHER APPEARING, Respondent has waived his right to a hearing and consented to payment of civil penalties of \$15,000.00, pursuant to the Fraud Act, N.J.S.A. 17:33A-5c and N.J.A.C. 11:16-7.9(a), and attorneys' fees of \$4,250.00, pursuant to N.J.S.A. 17:33A-5c and N.J.A.C. 11:16-7.9(a), and a statutory fraud surcharge of \$750.00, pursuant to N.J.S.A. 17:33A-5.1; and

IT FURTHER APPEARING, this matter should be resolved upon the consent of the parties without resort to a formal hearing on the aforementioned violations; and

IT FURTHER APPEARING, good cause exists to enter into this Consent Order; and

NOW, THEREFORE, IT IS on this 24th day of July, 2017:

ORDERED AND AGREED, pursuant to N.J.S.A. 17:22A-40 and N.J.S.A. 17:22A-45c. Respondent consents to suspension of his insurance producer license for 6 months from the date of this Consent Order and that, pursuant to N.J.A.C. 11:17D-2.5(e), Respondent may not be a partner, officer, director or owner of a licensed business entity, or otherwise be employed in any capacity by an insurance producer while his license is suspended; and

IT IS FURTHER ORDERED AND AGREED, Respondent shall pay a fine in the amount of \$5,000.00 to the Department for violations of the Producer Licensing Act; and

IT IS FURTHER ORDERED AND AGREED. Respondent shall pay civil penalties in the amount of \$15,000.00 to the Department, pursuant to the N.J.S.A. 17:33A-5c and N.J.A.C. 11:16-7.9(a), and attorneys' fees of \$4,250.00, pursuant to N.J.S.A. 17:33A-5c and N.J.A.C. 11:16-7.9(a), and a statutory fraud surcharge of \$750.00, pursuant to N.J.S.A. 17:33A-5.1, for violations of the Fraud Act; and

IT IS FURTHER ORDERED AND AGREED, the penalties imposed pursuant to this Order total \$25,000.00 and shall be paid in full by Respondent to the Department immediately upon Respondent's execution of this Consent Order by mailing the fully executed Consent Order and a certified check or money order made payable to "State of New Jersey – General Treasury" to Adam B. Masel, Deputy Attorney General, 25 Market Street, P.O. Box 117, Trenton, NJ 08625-0117; and

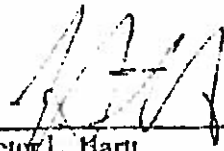
IT IS FURTHER ORDERED AND AGREED, this final administrative order may be docketed with the Clerk of the Superior Court as provided by the Penalty Enforcement Law, N.J.S.A. 2A:58-10 et seq.; and

IT IS FURTHER ORDERED AND AGREED, the conduct encompassed by this Consent Order includes all conduct known by the Department of Banking and Insurance as of the date of execution by Respondent of the Consent Order. This includes all conduct relating to the 10 fictitious applications submitted between April 1, 2015 and July 1, 2015. Should the Commissioner learn of additional acts concerning additional fictitious applications or new acts of a substantially different nature, the Commissioner may bring another action against Respondent, pursuant to the New Jersey Producer Licensing Act of 2001 or the New Jersey Insurance Fraud Prevention Act, as applicable; and

IT IS FURTHER ORDERED AND AGREED, if Respondent is convicted of a felony involving breach of trust or dishonesty or of violating 18 U.S.C. 1033, including for any conduct that


is related to this Consent Order, he shall not be employed in the business of insurance in New Jersey unless and until he obtains a waiver under 18 U.S.C. 1033 and 18 U.S.C. 1034, and the Commissioner would consider that application in due course: and

IT IS FURTHER ORDERED AND AGREED, the provisions of this Consent Order represent a final agency decision and constitute a final resolution of the allegations in this Consent Order against Respondent.



Peter L. Marti
Director of Insurance

Consented to as to
Form, Content, and Entry:

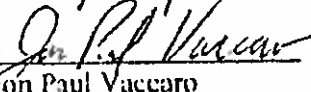
CHRISTOPHER S. PORRINO
ATTORNEY GENERAL OF NEW JERSEY
Attorney for New Jersey Department of
Banking and Insurance

By: 
Adam B. Masel
Deputy Attorney General

Dated: 5/23/17

By: 
Alice Kane, Esq.
Duane Morris LLP
Attorneys for Jon Paul Vaccaro

Dated: 5/23/17

By: 
Jon Paul Vaccaro

Dated: 5/17/2017