

STATE OF NEW JERSEY  
DEPARTMENT OF BANKING AND INSURANCE

IN THE MATTER OF:

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Proceedings by the Commissioner of Banking )  
and Insurance, State of New Jersey, to fine, )  
suspend, and/or revoke the insurance license )  
of Dennis McDine, Reference No. 9833952. )  
\_\_\_\_\_ )

**ORDER TO SHOW CAUSE**

TO: Dennis McDine  
773 White Birch Road  
Washington Township, NJ 07676-4233

Dennis McDine  
c/o LISU & Associates, LLC  
2 Queen Anne Road  
Bogata, NJ 07603-1818

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

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

WHEREAS, Respondent is subject to the provisions of the New Jersey Insurance Producer Licensing Act, N.J.S.A. 17:22A-26 to -48, ("Producer Act"); and

WHEREAS, pursuant to N.J.S.A. 17:22A-40(d), 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.S.A. 17:22A-40(a)(2), an insurance producer shall not 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-40(a)(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-40(a)(16), an insurance producer shall not commit any fraudulent act; and

WHEREAS, pursuant to N.J.S.A. 17:22A-40(a)(18), an insurance producer shall notify the Commissioner within thirty days of his conviction of any crime, indictment, or the filing of any formal criminal charges; and

WHEREAS, pursuant to N.J.S.A. 17:22A-29, a person 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-47(b), an insurance producer shall, within 30 days of the initial pretrial hearing date, report to the Commissioner any criminal prosecution of the producer taken in any jurisdiction and said report shall include a copy

of the initial complaint filed, the order resulting from the hearing, and any other relevant legal documents; and

WHEREAS, pursuant to N.J.S.A. 17:22A-40(a), the Commissioner may place on probation, suspend, revoke, or refuse to issue or renew an insurance producer's license, and may levy a civil penalty, for a violation of the Producer Act; and

WHEREAS, pursuant to N.J.S.A. 17:22A-45(c), any person violating the Producer Act is subject to a penalty not exceeding \$5,000.00 for the first offense, and not exceeding \$10,000.00 for each subsequent offense; additionally, the Commissioner may order restitution of moneys owed any person and reimbursement of costs of the investigation and prosecution, as appropriate; and

#### COUNT 1

IT APPEARING, that on January 19, 2012, individual "G.J." and Respondent entered into a promissory note whereby G.J. tendered to Respondent the amount of \$100,000.00; and

IT FURTHER APPEARING, that in exchange for the \$100,000.00, Respondent promised to pay G.J. the principal sum of \$100,000.00 together with interest at a rate of ten percent (10%); and

IT FURTHER APPEARING, that Respondent represented to G.J. that the collateral for the \$100,000.00 would be Respondent's purported ownership interest in a business known as Oscar Foods, Inc. with the alleged location of 152-154 Orange Street, Newark, New Jersey 07103; and

IT FURTHER APPEARING, that Oscar Foods, Inc. did not exist, and thus Respondent had no ownership in that business; and

IT FURTHER APPEARING, that the first interest payment was to be paid to G.J. on January 19, 2013 in the amount of \$10,000.00 and commencing on April 5, 2013 quarterly payments in the amount of \$7,608.78 were to be paid to G.J. in 16 quarterly payments; and

IT FURTHER APPEARING, that on January 19, 2013, Respondent failed to pay to G.J. the \$10,000.00 as promised and also failed to pay any quarterly payments when they became due; and

IT FURTHER APPEARING, that Respondent, by making a false misrepresentation to G.J. that he had an ownership interest in Oscar Foods, Inc., a business that did not exist, which was to be used as collateral for the promissory note, and his failure to pay monies to G.J. as promised, violated N.J.S.A. 17:22A-40(a)(16); and

## COUNT 2

IT FURTHER APPEARING, that after G.J.'s repeated demands to Respondent for the return of the \$100,000.00, which failed to result in any payment, G.J. filed a criminal complaint with the Bergen County Prosecutor's Office; and

IT FURTHER APPEARING, that on or about June 19, 2013, Respondent was indicted (Indictment No. S-1710-13) by the Bergen County Grand Jury on the charge of Second Degree Theft By Deception for unlawfully and purposely obtaining by deception property of G.J. with a value in excess of \$75,000.00, with the purpose of depriving G.J. of said property, in violation of N.J.S.A. 2C:20-4; and

IT FURTHER APPEARING, that on or about June 19, 2013, Respondent was arrested in connection with the Bergen County Superior Court criminal Indictment No. S-1710-13; and

IT FURTHER APPEARING, that the criminal charges against Respondent were dismissed upon his successful completion of the Pretrial Intervention Program; and

IT FURTHER APPEARING, that Respondent failed to notify the Commissioner within thirty days of his indictment or the filing of formal criminal charges against him, in violation of N.J.S.A. 17:22A-40(a)(2) and (18), and N.J.S.A. 17:22A-47(b); and

**COUNT 3**

IT FURTHER APPEARING, that from on or about May 20, 2004, until his license expired on June 30, 2014, Respondent was a licensed producer with the Lines of Authority for Accident, Health, Variable, and Life Insurance; and

IT FURTHER APPEARING, that from on or about May 20, 2004, until his license expired on June 30, 2014, Respondent was not a licensed producer with the Line of Authority for Property and Casualty Insurance; and

IT FURTHER APPEARING, that between the years 2005 and 2012, Respondent completed applications for Property and Casualty Insurance without the authority to do so; and

IT FURTHER APPEARING, that between the years 2005 and 2012, Respondent sold, solicited, or negotiated Property and Casualty Insurance business; and

IT FURTHER APPEARING, that although Respondent did not possess the required licensing authority to sell, solicit, or negotiate Property and Casualty Insurance, Respondent sold, solicited, or negotiated Property and Casualty Insurance policies in violation of N.J.S.A. 17:22A-40(a)(2) and (8), and N.J.S.A. 17:22A-29; and

NOW, THEREFORE, IT IS on this 2<sup>nd</sup> day of January, 2020,

ORDERED, that Respondent appear and show cause why his New Jersey insurance producer license shall not be suspended or revoked pursuant to N.J.S.A. 17:22A-40(a); and

IT IS FURTHER ORDERED, that Respondent appear and show cause why the Commissioner should not assess a civil penalty not exceeding \$5,000.00 for the first violation, and not exceeding \$10,000.00 for each subsequent violation of the Producer Act, and order Respondent to pay restitution of moneys owed to any person, pursuant to the provisions of N.J.S.A. 17:22A-45(c); and

IT IS FURTHER ORDERED, that Respondent appear and show cause why he should not be required to reimburse the Department for the cost of investigation and prosecution, as appropriate, pursuant to N.J.S.A. 17:22A-45(c); and

IT IS FURTHER 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 subpoenas 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 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, New Jersey 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 Brian R. Fitzgerald at Division of Law, 25 Market Street, P.O. Box 117, Trenton, NJ 08625-0117. The request shall contain the following:

- (a) The Respondent's full name, current 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 Respondent has 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.



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Marlene Caride  
Commissioner