

STATE OF NEW JERSEY
DEPARTMENT OF BANKING AND INSURANCE

IN THE MATTER OF:

)	FINAL ORDER
Proceedings by the Commissioner of)	
Banking and Insurance, State of New Jersey,)	
to fine, suspend and/or revoke the insurance)	
producer license of Erica Dixon, Reference)	
No. 1520572.)	
.)	

TO: Erica Dixon
300 Central Avenue
Apt. 7
Plainfield, New Jersey 07060-4231

This matter, having been opened by the Commissioner of Banking and Insurance, State of New Jersey (“Commissioner”), upon information that Erica Dixon (“Dixon” or “Respondent”) may have violated various provisions of the insurance laws of the State of New Jersey; and

WHEREAS, on or about April 17, 2013, Respondent was licensed as a resident insurance producer in the State of New Jersey pursuant to N.J.S.A. 17:22A-32(a), and maintained said license until it expired on or about December 31, 2018; and

WHEREAS, Respondent is subject to the provisions of the New Jersey Insurance Producer Licensing Act of 2001, N.J.S.A. 17:22A-26 to -48 (“Producer Act”), the Producer Licensing regulations, N.J.A.C. 11:17-1.1 to -2.17, and the regulations governing Insurance Producer Standards of Conduct, N.J.A.C. 11:17A-1.1 to 11:17D-2.8, as well as the New Jersey Insurance Fraud Prevention Act, N.J.S.A. 17:33A-1 to -30 (“Fraud 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 this 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)(7), an insurance producer shall not commit any insurance unfair trade practice or fraud; and

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

WHEREAS, pursuant to N.J.S.A. 17:33A-4(a)(4)(b), it is a violation of the Fraud Act to prepare or make any written or oral statement, intended to be presented to any insurance company or producer 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.A.C. 11:17A-4.8, an insurance producer shall reply, in writing, to any inquiry of the Department of Banking and Insurance ("Department") relative to the business of insurance within the time requested in said inquiry, or no later than 15 calendar days from the date the inquiry was made or mailed in cases where no response time is given; and

WHEREAS, pursuant to N.J.S.A. 17:22A-45(c), violations of the Producer Act subject the violator to a civil and administrative penalty of up to \$5,000.00 for the first offense and up to \$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; and

WHEREAS, pursuant to N.J.S.A. 17:33A-5(a) and (c), violations of the Fraud Act subject the violator to a civil and administrative penalty not to exceed \$5,000.00 for the first offense, not to exceed \$10,000.00 for the second offense and not to exceed \$15,000.00 for each subsequent offense; moreover, the Commissioner may issue a final order recovering 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 is found in any legal proceeding to have committed insurance fraud shall be subject to a surcharge in the amount of \$1,000.00; and

WHEREAS, the Commissioner issued Order to Show Cause E19-73 on July 29, 2019, alleging violations of New Jersey insurance laws by Respondent as set forth below:

ALLEGATIONS COMMON TO ALL COUNTS

IT APPEARING, that at all relevant times, Dixon was a licensed insurance producer in the state of New Jersey and was employed as an insurance sales agent by the Allstate Insurance Company ("Allstate"); and

IT FURTHER APPEARING, that in 2017, Dixon submitted to Allstate multiple false and fictitious applications for renter's insurance coverage on behalf of applicants without their knowledge or authorization; and

IT FURTHER APPEARING, that said bogus insurance applications also contained false and fictitious information regarding the applicant's contact information and/or property address, and were submitted to Allstate without the required electronic signatures of said applicants; and

IT FURTHER APPEARING, that upon having investigated this matter, Allstate determined that Dixon had submitted said bogus insurance applications for the purpose of qualifying for year-end company bonuses, and thereupon Allstate cancelled the issued policies, refunded the paid premiums and terminated Dixon's employment "For Cause" effective on or about March 27, 2018; and

COUNT 1

(PRODUCER ACT)

IT FURTHER APPEARING, that Respondent submitted to Allstate four separate applications for renter's insurance coverage on behalf of applicants, without their required signature and without their authorization, approval or knowledge, constituting four violations of N.J.S.A. 17:22A-40(a)(2), (7), (8) and (16); and

COUNT 2

(FRAUD ACT)

IT FURTHER APPEARING, that Respondent submitted to Allstate four bogus and fraudulent applications for renter's insurance coverage knowing they contained false and misleading information concerning facts and things material thereto for the purpose of obtaining an insurance policy, constituting four violations of N.J.S.A. 17:33A-4(a)(4)(b); and

COUNT 3

(PRODUCER ACT)

IT FURTHER APPEARING, that on or about June 1, 2018, in connection with its investigation, the Department of Banking and Insurance ("Department") directed that Dixon respond to written questions seeking material information regarding the above referenced insurance transactions and applications; and

IT FURTHER APPEARING, that Dixon failed and refused to provide any response to the Department's written inquiries in violation of N.J.S.A. 17:22A-40(a)(2) and N.J.A.C. 11:17A-4.8; and

IT FURTHER APPEARING, that as set forth in the Certification of Dakar Ross, attached hereto as Exhibit A, Respondent was given notice of the aforesaid charges and an opportunity to contest the charges at a hearing pursuant to Order to Show Cause E20-17, which was duly served on Respondent by certified mail, RRR, and regular mail to the addresses listed on this Final Order in accordance with N.J.A.C. 11:17D-2.1(a)(3); and

IT FURTHER APPEARING, that Respondent failed to provide written responses to the charges contained in Order to Show Cause E20-17 within 20 days as provided by N.J.A.C. 11:17D-2.1(d)(1), and therefore Respondent waived her right to a hearing to contest these charges and the charges are deemed admitted, pursuant to N.J.A.C. 11:17D-2.1(b)(1); and

NOW, THEREFORE, IT IS on this 22 day of March, 2022,

ORDERED, that the charges contained in Counts 1, 2 and 3 of Order to Show Cause E20-17 are deemed admitted by Respondent, 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 resident insurance producer license of Erica Dixon is hereby **REVOKED** effective upon the execution of this Final Order by the Commissioner; and

IT IS FURTHER ORDERED, that pursuant to N.J.S.A. 17:22A-45(c) and N.J.S.A. 17:33A-5, Respondent shall pay a civil penalty in the total amount of \$90,000 to the Commissioner for the violations of the Producer Act and Fraud Act; and

IT IS FURTHER ORDERED, that pursuant to N.J.S.A. 17:33A-5(b), Respondent shall be responsible for the reimbursement to the Department of attorneys' fees totaling \$4,334.00. (See a true and exact copy of the Certification of Dakar Ross, attached hereto as Exhibit A);

IT IS FURTHER ORDERED, that pursuant to N.J.S.A. 17:22A-45(c), Respondent shall be responsible for the reimbursement to the Department of the costs of investigation totaling \$300.00. (See a true and exact copy of the Certification of Ashley Mallory, Department of Banking and Insurance Investigator, attached hereto as Exhibit B); and

IT IS FURTHER ORDERED, that pursuant to N.J.S.A. 17:33A-5.1, Respondent shall pay a Fraud Act surcharge of \$1,000; and

IT IS FURTHER ORDERED, that Respondent shall pay the above penalties and costs totaling \$95,634.00 to the Commissioner of Banking and Insurance, State of New Jersey, 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 days from the date of service of this Order; and

IT IS FURTHER ORDERED, that in the event full payment of the penalty and costs is not made, the Commissioner may exercise any and all remedies available by law, including but not limited to recovery of any unpaid penalties, with post-judgment interest, in accordance with the Penalty Enforcement Law, N.J.S.A. 2A:58-10 to -12; and

IT IS FURTHER ORDERED, that the civil penalty in this Final Order is 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 is 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. E20-17.



Marlene Caride
Commissioner