

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 license) **CONSENT ORDER**
of Richard B. Kay, Reference No. 9142714.)

TO: Richard B. Kay
c/o Douglas S. Zucker, Esq.
Hatfield Schwartz Law Group LLC
240 Cedar Knolls Road
Suite 303
Cedar Knolls, NJ 07927

THIS MATTER, having been opened by the Commissioner of Banking and Insurance (“Commissioner”), State of New Jersey, upon information that Richard B. Kay (“Respondent”), may have violated various provisions of the insurance laws of the State of New Jersey; and

WHEREAS, Respondent was formerly licensed by the Department as a resident insurance producer in the State of New Jersey, pursuant to N.J.S.A. 17:22A-32(a), until January 31, 2025 when his license expired; and

WHEREAS, Respondent is subject to the provisions of the New Jersey Insurance Producer Licensing Act, N.J.S.A. 17:22A-1 to -57 (the “Producer Act”), the regulations governing Insurance Producer Standards of Conduct, N.J.A.C. 11:17A-1.1 to 11:17D-2.8; 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 of 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 laws, regulation, subpoena, or order of the Commissioner or 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 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. 11:4-23.18(b)(3), a producer is prohibited from cold lead advertising; that is, making use directly or indirectly of any method of marketing which fails to disclose in a conspicuous manner that a purpose of the method of marking is solicitation of insurance or other similar coverage, and that further contact with the consumer will be made by an insurance agent, other producer or carrier; 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 for violating 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; and

WHEREAS, the Commissioner issued Order to Show Cause E26-15 (“OTSC E26-15”) on January 20, 2026, alleging violations of New Jersey insurance laws by Respondent as set forth in the following allegations:

ALLEGATIONS COMMON TO ALL COUNTS

IT APPEARING, that, on or about May 17, 2021, Respondent made an unsolicited phone call and left a message for “C.K.,” a potential Medicare enrollee; and

IT FURTHER APPEARING, that Respondent advised that C.K. needed a local representative exclusively specializing in New Jersey Medicare laws and plans; and

IT FURTHER APPEARING, that Respondent was soliciting C.K. to have him assist in enrolling C.K. in a Medicare plan; and

IT FURTHER APPEARING, that Respondent was prohibited under 42 CFR 422.2268(b)(13) and 42 CFR 423.2268(b)(13) from making unsolicited phone calls regarding Medicare plans; and

COUNT ONE

IT FURTHER APPEARING, that Respondent engaged in an unsolicited telephone call to a potential Medicare enrollee, in violation of N.J.S.A. 17:22A-40(a)(2), N.J.S.A. 17:22A-40(a)(8), and N.J.A.C. 11:4-23.18(b)(3); and

IT FURTHER APPEARING, upon information and belief, that Respondent engaged in other unsolicited telephone calls to potential Medical enrollees to be determined in discovery, in violation of N.J.S.A. 17:22A-40(a)(2), N.J.S.A. 17:22A-40(a)(8), and N.J.A.C. 11:4-23.18(b)(3); and

WHEREAS, Respondent was given notice of the aforesaid allegations and an opportunity to contest them at a hearing; and

WHEREAS, Respondent admits and accepts responsibility for the violation described above; and

WHEREAS, cause does exist under N.J.S.A. 17B:27B-24 for the imposition of a civil penalty for the aforementioned violations of the insurance laws of this State; and

WHEREAS, Respondent has waived his right to a hearing on the aforementioned violations in OTSC E26-15; and

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

NOW, THEREFORE, IT IS on this 23 day of March, 2026:

ORDERED AND AGREED, that Respondent shall pay a total of \$2,962.50 for the violations of the Producer Act and other insurance laws cited above as follows:

IT IS FURTHER ORDERED AND AGREED, that Respondent shall pay a civil penalty totaling \$2,500.00 to the Department of Banking and Insurance for violating the Producer Act; and

IT IS FURTHER ORDERED AND AGREED, that pursuant to N.J.S.A. 17:22A-45(c) and N.J.A.C. 11:1-32.4(b)(20), Respondent shall reimburse the Department of Banking and Insurance, Division of Insurance Enforcement, for the costs associated with the investigation and prosecution of this matter totaling \$462.50; 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," which shall be paid upon execution of this Consent Order by Respondent; and

IT IS FURTHER ORDERED AND AGREED, that the signed Consent Order, together with the fine payment of \$2,962.50, shall be remitted to:

William E. Vaughan, DAG
Banking and Insurance Section
25 Market Street, P.O. Box 117
Trenton, New Jersey 08625-117

; 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.



Susan Ochs
Acting Commissioner

Consented to as to Form, Content, and Entry:

By: Richard B. Kay Date: 3/1/26
Richard B. Kay

By: Douglas Zucker Date: 3/17/26
Douglas Zucker, Esq.
Attorney for Richard B. Kay

JENNIFER DAVENPORT
ACTING ATTORNEY GENERAL OF NEW JERSEY
Attorney for Commissioner

By: W.E. Vaughan Date: 3/17/26
William E. Vaughan
Deputy Attorney General