

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,	)	ORDER TO SHOW CAUSE
to fine, suspend and/or revoke the insurance	)	
producer license of Patrick Garcis,	)	
Reference No. 1315438.	)	

TO: Patrick Garcis  
10 Heritage Way  
Lawrenceville, N.J. 08648-3704

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

WHEREAS, Garcis is actively licensed as a resident insurance producer in the State of New Jersey pursuant to N.J.S.A. 17:22A-32(a), which license will expire on August 31, 2027; 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 promulgated thereunder, N.J.A.C. 11:17-1.1 to -2.17, the regulations governing Insurance Producer Standards of Conduct, N.J.A.C. 11:17A-1.1 to 11:17D-2.8, and 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(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)(10), an insurance producer shall not (10) 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-40(a)(16), an insurance producer shall not commit any fraudulent act; and

WHEREAS, pursuant to the Fraud Act, it is a violation of N.J.S.A. 17:33A-4(a)(3) to conceal or knowingly fail to disclose the occurrence of an event which affects any person's initial or continued right or entitlement to (a) any insurance benefit or payment or (b) the amount of any benefit or payment to which the person is entitled; and

WHEREAS, pursuant to the Fraud Act, it is a violation of N.J.S.A. 17:33A-4(a)(4)(b) 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; 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 or may levy a civil penalty, or may take any combination of actions for violating the Producer Act; and

WHEREAS, pursuant to N.J.S.A. 17:22A-45(c), any licensee violating the Producer Act and/or the Insurance Producer Standards of Conduct 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, pursuant to N.J.S.A. 17:33A-5(c), violations of the Fraud Act subject the violator to civil penalties 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, and the court shall also award court costs and reasonable attorneys' fees; and

WHEREAS, pursuant to N.J.S.A. 17:33A-5.1, in addition to any other penalty, fine or charge imposed pursuant to law, 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

**ALLEGATIONS COMMON TO ALL COUNTS**

IT APPEARING, that at all relevant times, Respondent was licensed as a resident insurance producer in the State of New Jersey; and

IT FURTHER APPEARING, that at all relevant times, Respondent was employed as a sales agent for the Farmers Insurance Group ("Farmers"), which sells homeowner's policies and is the owner of a subsidiary company known as the Foremost Insurance Company ("Foremost"), which sells automobile insurance policies; and

IT FURTHER APPEARING, that between January 2018 and November 2018, Respondent submitted to Foremost twenty-six (26) fraudulent and fictitious applications for an automobile insurance policy in the names of individuals who had not authorized Respondent to submit said insurance applications on their behalves; and

IT FURTHER APPEARING, that between January 2018 and November 2018, Respondent submitted to Farmers seventeen (17) fraudulent and fictitious applications for a homeowner's insurance policy in the names of individuals who had not authorized Respondent to submit said insurance applications on their behalves; and

IT FURTHER APPEARING, that Respondent submitted a total of forty-three (43) fraudulent and fictitious insurance applications to Farmers and Foremost, and he received commissions totaling \$63,668 for the purported sale of said policies; and

IT FURTHER APPEARING, that although the forty-three (43) fraudulent and fictitious insurance applications submitted by Respondent were initially accepted and commissions were paid, Farmers and Foremost subsequently either cancelled said insurance policies or rejected said insurance applications because the initial premium payment that was due and owing to Farmers and/or Foremore had been declined by the named insured and/or had been rejected by the named insured's financial institution; and

IT FURTHER APPEARING, that in or about December 2018, due to Respondent's fraudulent conduct, Farmers terminated Respondent as a sales agent and issued chargebacks against the unearned commissions paid to Respondent, which resulted in \$39,060 being collected from Respondent and leaving a balance due and owing of \$24,608; and

### **COUNT ONE**

IT FURTHER APPEARING, that during his employment with Farmers, Respondent engaged in fraudulent, unethical and dishonest practices and demonstrated incompetence and untrustworthiness in the conduct of insurance business, specifically by submitting twenty-six (26)

applications for automobile insurance policies that were fraudulent and fictitious in that: (1) said applications were completed in the names of individuals who had not authorized Respondent to submit said insurance applications on their behalves; (2) said applications contained false information regarding the insured vehicles, the insured drivers and/or false bank account information; (3) said applications were rewritten or duplicates of other applications that had been previously submitted to Foremost and did not constitute new business; and/or (4) Respondent concealed the fact that the individuals had not authorized Respondent to submit said insurance applications on their behalves and the applications contained false information, in violation of N.J.S.A. 17:22A-40(a)(2), (7), (8), (10) and (16); N.J.S.A. 17:33A-4(a)(4)(b) and N.J.S.A. 17:33A-4(a)(3); and

IT FURTHER APPEARING, that each fraudulent and fictitious automobile insurance application submitted by Respondent constitutes a separate offense and violation of N.J.S.A. 17:22A-40(a)(2), (7), (8), (10) and (16); N.J.S.A. 17:33A-4(a)(4)(b) and N.J.S.A. 17:33A-4(a)(3); and

### **COUNT TWO**

IT FURTHER APPEARING, that during his employment with Farmers, Respondent engaged in fraudulent, unethical and dishonest practices and demonstrated incompetence and untrustworthiness in the conduct of insurance business, specifically by submitting seventeen (17) applications for homeowner's insurance policies that were fraudulent and fictitious in that: (1) said applications were completed in the names of individuals who had not authorized Respondent to submit said insurance applications on their behalves; (2) said applications contained false information regarding the insured property and/or false bank account information; (3) said applications were rewritten or duplicates of other applications that had been previously submitted

to Farmers and did not constitute new business; and/or (4) Respondent concealed the fact that the individuals had not authorized Respondent to submit said insurance applications on their behalves and the applications contained false information, in violation of N.J.S.A. 17:22A-40(a)(2), (7), (8), (10) and (16); N.J.S.A. 17:33A-4(a)(4)(b) and N.J.S.A. 17:33A-4(a)(3); and

IT FURTHER APPEARING, that each fraudulent and fictitious homeowner's insurance application submitted by Respondent constitutes a separate offense and violation of N.J.S.A. 17:22A-40(a)(2), (7), (8), (10) and (16); N.J.S.A. 17:33A-4(a)(4)(b) and N.J.S.A. 17:33A-4(a)(3); and

**NOW, THEREFORE, IT IS** on this 30<sup>th</sup> day of March, 2026

ORDERED, that Respondent appears and show cause why his New Jersey insurance producer licenses should not be suspended or revoked pursuant to N.J.S.A. 17:22A-40; and

IT IS FURTHER ORDERED, that Respondent appears and show cause why the Commissioner should not assess a civil penalty of not more than \$5,000.00 for the first violation and \$10,000.00 for each subsequent violation of the Producer Act and/or the Producer Standards of Conduct regulations, 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 appears and show cause why the Commissioner should not assess a civil penalty not to exceed \$5,000.00 for the first violation, not to exceed \$10,000.00 for the second violation, and not to exceed \$15,000.00 for each subsequent violation of the Fraud Act pursuant to the provisions of N.J.S.A. 17:33A-5(c), and order Respondent to pay a surcharge not to exceed \$1,000.00 pursuant to the provisions of N.J.S.A. 17:33A-5.1; and

IT IS FURTHER ORDERED, that Respondent appears and show cause why, in addition to any other penalty, he should not be required to reimburse the Department for court costs and reasonable attorneys' fees as authorized by N.J.S.A. 17:33A-5(c); and

IT IS FURTHER ORDERED, that Respondent appears and show cause why, in addition to any other penalty, he should not be required to reimburse the Department for the costs of the investigation and prosecution as authorized by N.J.S.A. 17:22A-45(c); 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 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 Matthew Gervasio, Supervising Investigator, Department of Banking and Insurance, P.O. Box 329, Trenton, New Jersey 08625, or by faxing the hearing request to the Department at (609) 292-5337. A copy of the request for a hearing shall also be sent to Dakar R. Ross, Deputy Attorney General, Department of Banking and Insurance, P.O. Box 117, Trenton, New Jersey 08625. The request from each respondent shall contain the following:

- A. Respondent's full 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 Respondent has no specific knowledge regarding a fact alleged in the 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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Susan Ochs  
Acting Commissioner