

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) CONSENT
the insurance license of Victoria Zarankin,) ORDER
Reference No. 1320653)

To: Victoria Zarankin
252C Mystic Lane
Monroe, NJ 08831

Victoria Zarankin
c/o Peter D. Valenzano, Esq.
101 Eisenhower Parkway
Roseland, NJ 07068

This matter, having been opened by the Commissioner of Banking and Insurance (“Commissioner”), State of New Jersey, upon information that Victoria Zarankin (“Respondent”), currently licensed as a resident individual insurance producer, pursuant to N.J.S.A. 17:22A-32, has violated various provisions of the insurance laws of the State of New Jersey; and

WHEREAS, Respondent is subject to the provisions of the New Jersey Insurance Producer Licensing Act of 2001 (“Producer Licensing Act”), N.J.S.A. 17:22A-26 et seq. and the New Jersey Insurance Fraud Prevention Act (“Fraud Act”), N.J.S.A. 17:33A-1 et seq.; and

WHEREAS, pursuant to N.J.S.A. 17:22A-40a (2), an insurance producer shall not violate any insurance laws, or violate any regulation, subpoena or order of the Commissioner or of another state’s insurance regulator; 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 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-33f, licensees shall inform the Commissioner by any means acceptable to the Commissioner of a change of address within 30 days of the change; and

WHEREAS, pursuant to N.J.A.C. 11:17-2.7(f)1, all licensees shall provide the Department with a complete and current business mailing address, and, if different, a street or location address, phone number and, if applicable email address; and

WHEREAS, pursuant to N.J.S.A. 17:33A-4a(4)(b), no person shall 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.S.A. 17:33A-5c, violations of the Fraud Act subject the violator to a civil 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; and

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

IT APPEARING, that on October 10, 2012, Respondent issued a Certificate of Liability Insurance to EC which contained fictitious information that the policy issued to EC included Professional Liability Insurance (PFI), when in fact no PFI coverage was included, in violation of N.J.S.A. 17:22A-40a (2), (5), and (8); and

IT FURTHER APPEARING, that between June 2012 and May 2013, Respondent demonstrated dishonesty and untrustworthiness by diverting insurance clients of BA, Respondent's employer, to RSA, an agency of which Respondent was an owner, without the knowledge of the owners of BA, in violation of N.J.S.A. 17:22A-40a (2), and (8); and

IT FURTHER APPEARING, that between January 6, 2012 and May 1, 2013, Respondent failed to notify the Department of Respondent's business address while employed at BA and RSA, in violation of N.J.S.A. 17:22-33f, N.J.S.A. 17:22A-40a (2) and (8) and N.J.A.C. 11:17-2.7(f)1; and

IT FURTHER APPEARING, on December 21, 2012 Respondent submitted a false New Jersey address on behalf of applicant, OG, for a commercial liability insurance policy underwritten by Mount Vernon Fire Insurance Company ("Mt. Vernon") for policy year commencing on January 10, 2013, in violation of N.J.S.A. 17:33A-4a(4)(b) and N.J.S.A. 17:22A-40a (2), (5), and (8); and

IT FURTHER APPEARING that the Respondent:

- 1) Has admitted responsibility for the aforementioned violations; and
- 2) Has cooperated with the Department of Banking and Insurance's ("Department") investigation; and
- 3) Neither admits nor denies the Fraud Act violation; and

IT FURTHER APPEARING, that cause does exist under N.J.S.A. 17:22A-40a, N.J.S.A. 17:22A-45c, and N.J.S.A. 17:33A-5c to impose a fine; and

IT FURTHER APPEARING, that Respondent has waived her right to a hearing on the aforementioned violations and consented to the payment of a civil penalty in the amount of \$3,500.00 for the violations of the Producer Licensing Act and payment of a civil penalty in the amount of \$1,500.00 for the violations of the Fraud Act; and

IT FURTHER APPEARING, that pursuant to N.J.S.A. 17:33A-5.1, Respondent shall pay a statutory insurance surcharge of \$75.00; and

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

NOW, THEREFORE, IT IS on this 5th day of SEPTEMBER, 2014

ORDERED AND AGREED, that Respondent admits to the violations of the Producer Licensing Act and the Fraud Act as described above; and

IT IS FURTHER ORDERED AND AGREED, that Respondent shall pay a civil penalty of \$3,500.00 for the violations of the Producer Licensing Act admitted herein; and

IT IS FURTHER ORDERED AND AGREED, that Respondent shall pay a civil penalty of \$1,500.00 for the violations of the Fraud Act admitted herein; and

IT IS FURTHER ORDERED AND AGREED, that Respondent shall pay an insurance fraud surcharge in the amount of \$75.00 for the violation of the Fraud Act admitted herein; and

IT IS FURTHER ORDERED AND AGREED, that said civil penalty and surcharge shall be paid by certified check, cashier's check or money order made payable to the "State of New Jersey, General Treasury," with an initial payment of \$575.00 due and payable immediately upon execution of this Consent Order by Respondent and 18 subsequent monthly payments of \$250.00 due and payable on or before the 25th day of each month thereafter; and

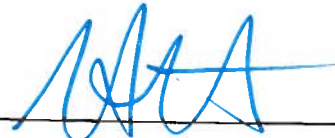
IT IS FURTHER ORDERED AND AGREED, that the signed Consent Order together with the initial civil penalty payment and surcharge of \$575.00 and each subsequent monthly installment payment shall be remitted to:

New Jersey Department of Banking and Insurance
Attention: Virgil Downtin – Chief of Investigations
9th Floor, Consumer Protection Services, Enforcement
P. O. Box 329
Trenton, New Jersey 08625

IT IS FURTHER ORDERED AND AGREED, that in the event full payment of the civil penalty and surcharge are not made or any payment is not made in accordance with this Order, the Commissioner may exercise any and all remedies available by law, including but not limited to recovery of any unpaid penalties in summary proceedings, in accordance with the penalty enforcement law N.J.S.A. 2A:58-10 et seq.; 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; and

IT IS FURTHER ORDERED AND AGREED that Respondent shall cease and desist from engaging in the conduct that gave rise to this Consent Order.

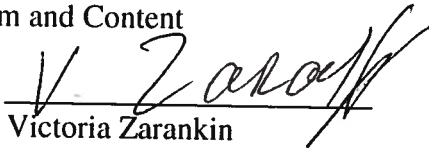


Peter L. Hart

Acting Director of Insurance

Consented to as to
Form and Content

By:


Victoria Zarankin

Date:

09/02/14

9/2/14



NOTARY PUBLIC FOR VIKTORIA ZARANKINA

