

STATE OF NEW JERSEY
DEPARTMENT OF BANKING AND INSURANCE

IN THE MATTER OF:

Proceedings by the Commissioner)
of the Department Banking and)
Insurance, State of New Jersey,) **FINAL**
to fine, suspend, and/or revoke) **ORDER**
the insurance producer license)
of Jacob Eisenstark, Reference)
No. 1196653.)

TO: Jacob Eisenstark
27 Schindler Terrace 3-13
West Orange, NJ 07052-1079

This matter, having been opened to the Commissioner, New Jersey Department of Banking and Insurance ("Commissioner"), upon issuance of Order to Show Cause No. E14-84, alleging that Jacob Eisenstark ("Respondent"), formerly licensed as a resident insurance producer, pursuant to N.J.S.A. 17:22A-32, may have 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, N.J.S.A. 17:22A-26 et seq. ("Producer Act"); and

WHEREAS, on August 6, 2014, the Commissioner issued Order to Show Cause No. E14-84, alleging that Respondent violated various provisions of the insurance laws of New Jersey, as set forth in the following Count 1:

COUNT 1

IT APPEARING THAT, on or about February 24, 2010, the New Jersey Division of Consumer Affairs, Bureau of Securities ("Bureau of Securities"), filed a five-count complaint (the "Complaint") and Order to Show Cause in Essex County Superior Court, Dkt. No. ESX-C-46-2010, alleging that Respondent and other named defendants committed securities fraud by engaging in acts declared illegal or

prohibited by the New Jersey Uniform Securities Law; and

IT FURTHER APPEARING THAT, on or about October 1, 2012, Respondent reached a settlement by Final Judgment and Consent Order with the Bureau of Securities, whereby Respondent was ordered to pay \$940,000, consisting of \$850,000 in consumer restitution and \$90,000 in civil monetary penalties; and

IT FURTHER APPEARING THAT, pursuant to the October 1, 2012 Final Judgment and Consent Order, Respondent admitted that he had defrauded four (4) of his clients and used the misappropriated funds for his personal use; and

IT FURTHER APPEARING THAT, by defrauding his clients and using the misappropriated funds for his personal use, Respondent used fraudulent, coercive, or deceptive practices, in violation of N.J.S.A. 17:22A-40a(2), (8), and (16); and

WHEREAS, Respondent was given notice of the above-referenced charges and an opportunity to contest the charges at a hearing; and

WHEREAS, Order to Show Cause No. E14-84 was duly served upon Respondent by certified and regular mail at the address listed in the Final Order (which is Respondent's last known mailing address on file with the Commissioner) in accordance with N.J.A.C. 11:17D-2.31(a)3; and

WHEREAS, pursuant to the certification of Deputy Attorney General Gordon A. Queenan, attached hereto as "Exhibit 1", notice for the certified mail was left at Respondent's address on August 14, 2014; and

WHEREAS, pursuant to the certification of DAG Queenan, the certified mail was returned marked "LN 8/14/14" and "Unclaimed" as of "09/08/14"; and

WHEREAS, pursuant to the certification of DAG Queenan, the regular mail sent to Respondent was not returned, thus creating the presumption that Respondent received a copy of Order to Show Cause No. E14-84; and

WHEREAS, service of Order to Show Cause No. E14-84 in this manner constitutes lawful service upon Respondent, pursuant to N.J.A.C. 11:17D-2.1(a)3; and


WHEREAS, Respondent failed to provide a written response to the charges contained in Order to Show Cause No. E14-84, and, therefore, pursuant to N.J.A.C. 11:17D-2.1(b), Respondent has waived his right to a hearing to contest these charges and the charges are deemed admitted; and

NOW, THEREFORE, IT IS on this 2nd day of October 2014

ORDERED that the charges contained in Order to Show Cause No. E14-84 are deemed admitted as to Respondent, pursuant to N.J.A.C. 11:17D-2.1(b); and

IT IS FURTHER ORDERED that, pursuant to N.J.S.A. 17:22A-40a, the insurance producer license issued to Respondent is hereby REVOKED effective upon the execution of this Final Order by the Commissioner; 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. E14-84.



PETER L. HARTT
Acting Director of Insurance

EXHIBIT 1

STATE OF NEW JERSEY
DEPARTMENT OF BANKING AND INSURANCE

IN THE MATTER OF:

Proceedings by the Commissioner)	
of the Department Banking and)	
Insurance, State of New Jersey,)	
to fine, suspend, and/or revoke)	CERTIFICATION OF DEPUTY
the insurance producer license)	ATTORNEY GENERAL GORDON
of Jacob Eisenstark, Reference)	A. QUEENAN
No. 1196653.)	

I, Gordon A. Queenan, of full age, do, of my own personal knowledge, make the following statement by way of certification in lieu of affidavit, pursuant to R. 1:4-4(b):

1. I am a Deputy Attorney General assigned as counsel for the Commissioner, New Jersey Department of Banking and Insurance ("Commissioner"), in the above-captioned matter. I submit this certification in support of the Commissioner's request that a Final Order be entered against Respondent Jacob Eisenstark and, specifically, to establish that proper service of Order to Show Cause No. E14-84 was made upon Respondent.

2. The Commissioner issued Order to Show Cause No. E14-84 on August 6, 2014.

3. By letter dated August 11, 2014, my office served a copy of Order to Show Cause No. E14-84 upon Respondent via regular and certified mail, return receipt requested, at the following, last known mailing address for Respondent on file with the Commissioner:

Jacob Eisenstark
27 Schindler Terrace 3-13
West Orange, NJ 07052-1079


4. On September 16, 2014 the certified mail was returned to me marked "Unclaimed", with a date of "9/8/14". The Certified Mail also had a handwritten notation, "LN 8/14/14."

5. The regular mail sent to Respondent was not returned, thus creating the presumption that Respondent received a copy of Order to Show Cause No. E14-84; and

6. Pursuant to N.J.A.C. 11:17D-2.1(a)3, service of Order to Show Cause No. E14-83 in this matter constitutes lawful service upon Respondent.

7. To date, Respondent has not provided a written response to the charged contained in Order to Show Cause No. E14-84.

I certify that the foregoing statements made by me are true. I am aware that if any of the foregoing statements made by me are willfully false, I am subject to punishment.



Gordon A. Queenan
Deputy Attorney General

Dated: October 1, 2014