

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
GMI NA Inc., Reference No. 9724829, and) ORDER
Mark N. Trudel, Reference No. 9475997)

GMI NA Inc.
99 Starr St.
Phoenixville, PA 19460

Mark N. Trudel
108 Hill Top Drive
Downingtown, PA 19335

This matter, having been opened by the Commissioner of Banking and Insurance (“Commissioner”), State of New Jersey, upon information that GMI NA Inc. (“GMI”), licensed as a non-resident business entity insurance producer pursuant to N.J.S.A. 17:22A-34, and its designated responsible licensed producer, Mark N. Trudel, (“Trudel”), licensed as a non-resident individual insurance producer pursuant to N.J.S.A. 17:22A-34, may have violated the insurance laws of the State of New Jersey; and

WHEREAS, GMI and Trudel (collectively “Respondents”) are subject to the provisions of New Jersey Insurance Producer Licensing Act of 2001, N.J.S.A. 17:22A-26 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 (7), an insurance producer shall not admit or be found to have committed any insurance unfair trade practice or fraud; 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-40a (16), an insurance producer shall not commit any fraudulent act; and

WHEREAS, pursuant to N.J.A.C. 11:17A-4.3, an insurance producer shall, within 10 days after the effectuation of an insurance transaction made through an insurance producer which modifies the terms of an existing insurance contract or the terms of an application for insurance, notify a policyholder or applicant, in writing, of all information submitted to the insurance producer by the policyholder or applicant pertinent to the modification, including confirmation that the insurance producer has sent the information to the insurer; and

IT APPEARING, that on or about February 11, 2013, Respondents received notification from carrier KnightBrook Insurance Company ("KnightBrook") that insured EF's private passenger vehicle was no longer eligible for coverage, effective March 29, 2013 and subsequently failed to notify and directly inform EF and/or their broker, PI, of the deletion of coverage that would have indemnified the insured's vehicle during an

accident which occurred on June 27, 2013, in violation of N.J.S.A. 17:22A-40 (2), (5), (7), and (8) and N.J.A.C. 11:17A-4.3; and

IT FURTHER APPEARING, that Respondents, while acting as an agent for KnightBrook, failed to comply with a written contract and/or agreement and accepted business from an unauthorized broker, pursuant to and in violation of N.J.S.A. 17:22A-40 (2), (7), (8), and (16); and

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

IT FURTHER APPEARING, that the Respondents have waived their right to a hearing on the aforementioned violations and have consented to the payment of restitution in the amount of \$7731.47 to be paid to insured EF; and

IT FURTHER APPEARING, that EF has provided the New Jersey Department of Banking and Insurance with confirmation that the Respondents have made restitution in the amount of \$7731.47 on November 7, 2014; and

IT FURTHER APPEARING, that the Respondents have waived their right to a hearing on the aforementioned violations and have consented to the payment of a fine in the amount of \$5,000.00; 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

6th day of January, 2015

ORDERED AND AGREED, that the Respondents pay a fine in the amount of \$5,000.00 to the Department; 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 the Respondents; and

IT IS FURTHER ORDERED AND AGREED that the signed Consent Order, together with the fine payment of \$5,000.00, 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 fine is not made, 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 the Respondents shall cease and desist engaging in the conduct that gave rise to this Consent Order.



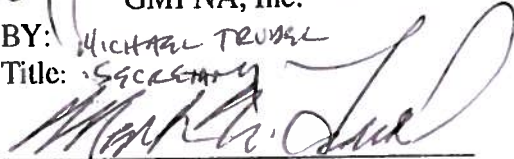
Peter L. Hart
Director of Insurance

Consented to as to Form,
Entry and Content



GMI NA, Inc.

BY: MICHAEL TRUDEL
Title: SECRETARY



Mark N. Trudel
Individually

12/24/2014

Date