

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  
New Jersey Skylands Insurance Association ) ORDER

TO: New Jersey Skylands Insurance Association  
5630 University Parkway  
Winston-Salem, NC 27105

This matter having been opened to the Commissioner (“Commissioner”) of the Department of Banking and Insurance (“Department”) of the State of New Jersey, upon information that New Jersey Skylands Insurance Association (“Skylands”), a reciprocal insurance exchange authorized to transact business in New Jersey pursuant to N.J.S.A. 17:50-1 et seq., may have violated the laws of the state of New Jersey; and

WHEREAS, N.J.S.A. 17:36-5.36a provides that no homeowners insurance policy shall be issued, delivered or renewed unless the policy is accompanied by, among other things, a one page summary of the policy, including notable coverages and exclusions under the policy, as determined by the Commissioner; and

WHEREAS, N.J.A.C. 11:2-41.3 provides that insurers can provide the applicable one-page summary included in the appendix to the rule or use their own one page summary, which shall be filed with the Department at least 30 days prior to its use; and

WHEREAS, N.J.A.C. 11:2-41.4 specifies that the rule applies to all homeowners insurance policies issued, delivered or renewed on or after May 31, 2015; and

WHEREAS, on August 10, 2015 Skylands submitted to the Department six new forms for review captioned Summary of Homeowners Insurance Policy, Summary of Condominium Unit Owners Insurance Policy, Summary of Renters Insurance Policy, Summary of Dwelling/Fire Insurance Policy-DP 00 01 Extended Basic Form, Summary of Dwelling/Fire Insurance Policy-DP 00 02 Broad Form and Summary of Dwelling/Fire Insurance Policy-DP 00 03 Special Form, and requested an effective date of September 14, 2015 for new business and an effective date of October 18, 2015 for renewal business; and

WHEREAS, the Department asked Skylands how it had been complying with the requirement to provide a one page homeowners insurance summary that was effective on May 31, 2015; and

WHEREAS, Skylands responded that it had not been supplying the required one page summary due to technical issues; and

WHEREAS, Skylands

- 1) Has admitted responsibility for the aforementioned violation;
- 2) Has cooperated with the investigation conducted by the Department; and
- 3) Has agreed to provide the appropriate one page summary to all policyholders who were issued new or renewal homeowners policies since May 31, 2015 who were not provided with a one page summary;

and

WHEREAS, good cause exists under N.J.S.A. 17:33-2 to impose a fine; and

WHEREAS, Skylands has waived its right to a hearing on the aforementioned violation and has consented to payment of a fine in the amount of twenty five thousand dollars (\$25,000.00); and

NOW THEREFORE, IT IS on this 2<sup>nd</sup> day of October 2015

ORDERED AND AGREED that Skylands pay a fine in the amount of twenty five thousand dollars (\$25,000.00) by check made payable to the State of New Jersey, General Treasury due and payable immediately upon the execution of this Consent Order by Skylands; and

IT IS FURTHER ORDERED AND AGREED that the signed Consent Order together with the fine payment shall be transmitted to:

New Jersey Department of Banking and Insurance  
Attention: Gale Simon, Assistant Commissioner  
20 West State Street, 9<sup>th</sup> floor, Consumer Protection Services  
P. O. Box 329  
Trenton, NJ 08625-0329

; 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 Skylands shall cease and desist from engaging in the conduct that gave rise to this Consent Order.



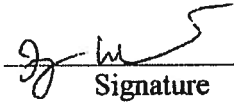
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Peter L. Hart  
Director of Insurance

Consented to as to  
Form and Content:

New Jersey Skylands Insurance Association

By: Jeffrey Weissmann, Secretary  
Name and Title

  
Signature

9/16/15  
Date