

STATE OF NEW JERSEY
DEPARTMENT OF BANKING AND INSURANCE

IN THE MATTER OF:

Proceeding by the Commissioner of Banking)
and Insurance, State of New Jersey, to fine) CONSENT
David G. Chapman, Reference No. 8808065) ORDER

TO: David G. Chapman
13 Beacon Ct.
Holmdel, New Jersey 07733

This matter, having been opened by the Commissioner of Banking and Insurance (“Commissioner”), State of New Jersey, upon information that David G. Chapman, currently licensed as a resident insurance producer, (“Respondent”), 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, the Respondent is 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 (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; and

WHEREAS, pursuant to N.J.S.A. 17:22A-40a (10), an insurance producer shall not 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-40a (16), an insurance producer shall not commit any fraudulent act; and

WHEREAS, pursuant to N.J.A.C. 11:17A-2.3 (b), no insurance producer shall offer, pay or give, permit to be offered, paid or given, to any person, directly or indirectly, any rebate of premiums payable on a contract of insurance, other than that plainly expressed in the contract or provided for in rating systems filed by or on behalf of the insurer writing the contract and approved by the Commissioner; and

IT APPEARING, that the Respondent while acting as an agent for Plymouth Rock Insurance Company (Plymouth Rock), on about January 14, 2013 applied for reinstatement of an automobile insurance policy that had lapsed for a policyholder he thought had been displaced by super storm sandy and prepared, signed the policyholder's name to, and submitted to Plymouth Rock a "No Loss Letter" when the policyholder had in fact passed away. The Respondent also paid the client's premiums for the reinstatement, in violation of N.J.S.A. 17:22A-40a (2), (5), (8), (10) and (16); and N.J.A.C. 11:17A-2.3 (b); and

IT FURTHER APPEARING, that the Respondent:

- 1) Has cooperated with the investigation conducted by the Department; and
- 2) Has asserted that the violations cited in this Consent Order were not willful; and
- 3) Has acknowledged responsibility for the aforementioned violations; 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

IT FURTHER APPEARING, that the Respondent has waived his rights to a hearing on the aforementioned violation and consented to the payment of a fine in the amount of \$7,500.00; and

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

NOW, THEREFORE, IT IS on this ^{10th} 4th day of FEBRUARY, 2015

ORDERED AND AGREED, that the Respondent pay a fine in the amount of \$7,500.00 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, with an initial payment of \$1,500.00 due and payable immediately upon execution of this Consent Order by the Respondent and four additional payments of \$1,500.00, due and payable on the 30th day of each month thereafter; and

IT IS FURTHER ORDERED AND AGREED, that the signed Consent Order together with the initial fine payment of \$1,500.00 and each subsequent monthly installment payment shall be remitted to:

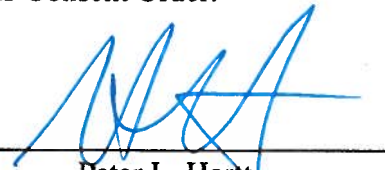
New Jersey Department of Banking and Insurance
Attention: Virgil Downtin, Chief of Investigations
20 West State Street
9th Floor, Consumer Protection Services, Enforcement
P O Box 329
Trenton, New Jersey 08625-0329

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



Peter L. Hart
Director of Insurance

Consented to as to
Form, Content and Entry:

By: David G. Chapman
David G. Chapman

Date: FEB. 04TH, 2015



ELISA A. NELSON
NOTARY PUBLIC OF NEW JERSEY
MY COMMISSION EXPIRES AUGUST 17 2019