

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 Paula Orozco)	ORDER
Reference No. 1270676.)	

TO: Paula Orozco
1500 Washington Street
Apt. 6U
Hoboken, NJ 07030

This matter, having been opened by the Commissioner of Banking and Insurance (“Commissioner”), State of New Jersey, upon information that Paula Orozco (“Orozco”), currently licensed as a resident individual 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, Paula Orozco (“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 (4), a producer shall not improperly withhold, misappropriate or convert any monies or properties received in the course of doing insurance business; 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, lack of trustworthiness or financial irresponsibility in the conduct of insurance business in this State; and

WHEREAS, pursuant to N.J.A.C. 11:17A-1.6(a) each place of business maintained by an insurance producer for the purpose of transacting the business of insurance shall be under the direct supervision of an insurance producer; and

WHEREAS, pursuant to N.J.A.C. 11:17A-1.6(c) licensed partners, officers and directors, and all owners with an ownership of 10 percent or more in the organization shall be held responsible for all insurance related conduct of the organization licensee, any of its branch offices, its other licensed officers or partners, and its employees; and

WHEREAS, pursuant to N.J.A.C. 11:17A-4.10 an insurance producer acts in a fiduciary capacity in the conduct of his or her insurance business; and

WHEREAS, pursuant to N.J.A.C. 11:17C-2.2(a) all premium funds shall be remitted to the insurer or other insurance producer, as applicable, within five business days after receipt of the funds except as otherwise required; and

WHEREAS, on October 7, 2015 Respondent, was an owner of ten percent or more of Khris Hill LLC (“KHA”), a Designated Responsible Licensed Producer (“DRLP”) for KHA and a producer employed by KHA, who as a producer accepted full premium for a Wesco Insurance Company commercial property insurance application for MPM and thereafter failed to supervise the remittance of the premium to the insurer, resulting in a failure to secure coverage and non-coverage of a claim, in violation of N.J.S.A. 17:22A-40a (2), (4) and (8), N.J.A.C. 11:17A-4.10, N.J.A.C. 11:17A-1.6(a) and (c), and N.J.A.C. 11:17C-2.2(a); and

WHEREAS, Respondent:

- 1) Has admitted responsibility for the aforementioned violations; and
- 2) Has cooperated fully with the New Jersey Department of Banking and Insurance's ("Department") investigation; and

WHEREAS, cause does exist under N.J.S.A. 17:22A-40(a) and N.J.S.A. 17:22A-45c to impose a fine; and

WHEREAS, Respondent has waived her right to a hearing on the aforementioned violations and has consented to the payment of a fine in the amount of \$5,000.00; and

WHEREAS, this matter should be resolved upon the consent of the parties without resort to a formal hearing; and

NOW, THEREFORE, IT IS on this 8th day of June 2016,

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 in an initial payment of \$500.00 due and payable immediately upon the execution of this Consent Order by the Respondent and eighteen (18) subsequent payments of \$250.00 due and payable on or before the 31st day of each month thereafter; and

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

New Jersey Department of Banking and Insurance
ATTN: 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 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



Paula Orozco

Date: 05-31-2016



CARLOS A. RIVERA
NOTARY PUBLIC OF NEW JERSEY
My Commission Expires May 16, 2017

