

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, suspend )  
and or revoke the Insurance )  
Producer Licenses of AJS Bail )  
Bonds, LLC, Reference No. )  
1066187, and Abraham Bashner, )  
Jr., Reference No. 1028905 )

**FINAL ORDER**

TO: AJS Bail Bonds, LLC  
1017 Kissam Ct.  
South Plainfield, NJ 07080-2431

Abraham Bashner, Jr.  
1017 Kissam Ct.  
South Plainfield, NJ 07080-2431

THIS MATTER, having been opened by the Commissioner of Banking and Insurance ("Commissioner"), State of New Jersey, upon information that AJS Bail Bonds, LLC ("AJS Bail Bonds") and Abraham Bashner, Jr. ("Bashner") (collectively, "Respondents") may have violated various provisions of the insurance laws of the State of New Jersey; and

WHEREAS, Bashner is currently licensed as a resident insurance producer pursuant to N.J.S.A. 17:22A-32; and

WHEREAS, AJS Bail Bonds was licensed as a resident business entity insurance producer pursuant to N.J.S.A. 17:22A-32, until its license expired on May 31, 2016; and

WHEREAS, at all times relevant hereto, Bashner was the Designated Responsible Licensed Producer ("DRLP") for and responsible for the activities of AJS Bail Bonds, and responsible for AJS Bail Bonds' compliance with the insurance laws, rules and regulations of this State, pursuant to N.J.S.A. 17:22A-32b(2); and

WHEREAS, the Respondents are 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"), Producer Licensing regulations, N.J.A.C. 11:17-1.1 et seq. and regulations governing Insurance Producer Standards of Conduct, N.J.A.C. 11:17A-1.1 et seq., N.J.A.C. 11:17C-1.1 et seq., and N.J.A.C. 11:17D-1.1 et seq.; and

WHEREAS, pursuant to N.J.S.A. 17:22A-40a(2), an insurance producer shall not violate any insurance laws, regulations, subpoenas or orders of the Commissioner or of another state's insurance regulator; and

WHEREAS, pursuant to N.J.S.A. 17:22A-40a(4), an insurance 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, 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.S.A. 17:22A-40d, the Commissioner shall retain the authority to enforce the provisions of and impose any penalty or remedy authorized by the Producer Act and Title 17 of the Revised Statutes or Title 17B of the New Jersey Statutes against any person who is under investigation for or charged with a violation of the Producer Act or Title 17 of the Revised Statutes or Title 17B of the New Jersey Statutes even if the person's license or registration has been surrendered or has lapsed by operation of law; and

WHEREAS, pursuant to N.J.A.C. 11:17A-4.8, an insurance producer shall reply, in writing, to any inquiry of the New Jersey Department of Banking and Insurance ("Department") relative to the business of insurance within the time requested, or no later than 15 calendar days from the date the inquiry was made or mailed in cases where no response time is given; 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-2.1(a), all premium funds shall be held by an insurance producer in a fiduciary capacity and shall not be misappropriated, improperly converted to the insurance producer's own use, or illegally withheld by the licensee; 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 unless provided otherwise; and

WHEREAS, pursuant to N.J.A.C. 11:17C-2.2(b), all premiums due the insured shall be paid to the insured or credited to the insured's account within five business days after receipt by the insurance producer from the insurer or other insurance producer or premium finance company; and

WHEREAS, pursuant to N.J.A.C. 11:17A-1.6(c), licensed partners, officers and directors, and all owners with an ownership interest 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.S.A. 17:22A-32b(2), a business entity acting as an insurance producer shall designate a licensed insurance producer or producers responsible for the business entity's compliance with the insurance laws, rules and regulations of this State; and

WHEREAS, pursuant to N.J.A.C. 11:17-2.8(f), all licensees shall provide the Department with a complete and current business mailing address, and, if different, a street or location address, phone number and, if applicable, an email address; individual licensees shall also provide the Department with a complete and current residence address, phone number and, if applicable, an email address; and all licensees must notify the Department of any change in the foregoing information within 30 days of a change; and

WHEREAS, pursuant to N.J.A.C. 11:17-2.8(f)3, any legal process issued pursuant to the statutory authority of the Commissioner including, but not limited to, subpoenas, orders and orders to show cause may be served by sending the documents to the business mailing or residence address of the licensee then on file with the Department; and

WHEREAS, pursuant to N.J.A.C. 11:17D-2.1a(1) and (2), before imposing an administrative penalty, the Department shall direct a notice to the last known business or mailing address of the alleged violator, which notice shall include a reference to the statute, rule and/or administrative order alleged to be violated, a concise statement of the facts alleged to constitute the violation, a statement of the administrative penalty or penalties sought to be imposed and a statement advising the

alleged violator of the right to a hearing and the procedure for requesting a hearing; and

WHEREAS, pursuant to N.J.A.C. 11:17D-2.1a(3), the notice shall be served by personal delivery, or by certified mail, to the alleged violator's last known business or mailing address, according to the files maintained by the Department, and service in this manner shall be considered lawful service on the alleged violator; and

WHEREAS, the Commissioner issued Order to Show Cause No. E16-84 on September 9, 2016 ("OTSC"), alleging violations of New Jersey insurance laws by Respondents as set forth in the following Counts:

**COUNT 1**

**(ALL NAMED RESPONDENTS)**

IT APPEARING, that in or around November of 2013, New Jersey resident "KA" was placed in Passaic County Jail and held on a \$750,000.00 bail; and

IT FURTHER APPEARING, that on or about February 18, 2014, KA's father "MA" received from Respondents a bail bond premium quote of \$20,000.00 for KA's \$750,000.00 bail amount; and

IT FURTHER APPEARING, that on or about February 20, 2014, MA paid Respondents \$10,000.00 to procure a bail bond; and

IT FURTHER APPEARING, that on or about February 21, 2014, MA paid Respondents another \$10,000.00 to procure a bail bond; and

IT FURTHER APPEARING, that Respondents were unable to secure a bail bond for KA and stated to MA that they would return MA's \$20,000.00 premium; and

IT FURTHER APPEARING, that Respondents never returned MA's \$20,000.00 premium and never remitted any money on behalf of KA or MA to any insurer; and

IT FURTHER APPEARING, that this instance where Respondents fraudulently misappropriated premiums funds held in a fiduciary capacity, constitutes violations of N.J.S.A. 17:22A-40a(2), (4), (8), (16), N.J.A.C. 11:17A-4.10, and N.J.A.C. 11:17C-2.1(a); and

## COUNT 2

### **(ALL NAMED RESPONDENTS)**

IT FURTHER APPEARING, that this instance where Respondents failed remit premium funds to an insurer, or return the premium funds to the insured, within five business days after receipt, constitutes violations of N.J.S.A. 17:22A-40a(2), (4), (8), (16), N.J.A.C. 11:17A-4.10, N.J.A.C. 11:17C-2.1(a), N.J.A.C. 11:17C-2.2(a), & (b); and

## COUNT 3

### **(ALL NAMED RESPONDENTS)**

IT FURTHER APPEARING, that on or about November 18, 2014, the Department mailed Respondents an inquiry letter, requesting a written statement regarding Respondents aforementioned conduct; and

IT FURTHER APPEARING, that Respondents never replied to the Department's November 18, 2014 inquiry letter; and

IT FURTHER APPEARING, that this instance where Respondents failed to respond in writing to an inquiry letter by the Department constitutes violations of N.J.S.A. 17:22A-40a(2), (8), N.J.A.C. 11:17A-4.8; and

**COUNT 4**

**(ALL NAMED RESPONDENTS)**

IT FURTHER APPEARING, that on or about December 12, 2014, the Department mailed Respondents an administrative subpoena ad testificandum commanding Respondents to appear and give testimony before the Commissioner on December 29, 2014; and

IT FURTHER APPEARING, that Respondents did not appear before the Commissioner on December 29, 2014; and

IT FURTHER APPEARING, that this instance where Respondents failed to respond to the administrative subpoena constitutes violations of N.J.S.A. 17:22A-40a(2), (8), N.J.S.A. 17:22A-45a, and N.J.A.C. 11:17A-4.8; and

**COUNT 5**

**(BASHNER ONLY)**

IT FURTHER APPEARING, that Bashner, as DRLP of AJS, is responsible for the violations of the Producer Act by AJS, in violation of N.J.S.A. 17:22A-32b(2) and N.J.A.C. 11:17A-1.6(c); and

IT FURTHER APPEARING, that as set forth in the certification of service of Brian R. Fitzgerald, Deputy Attorney General, attached hereto as Exhibit "A", Respondents were given notice of the aforesaid charges and an opportunity to contest the charges at a hearing pursuant to the OTSC, which was duly served by certified and regular mail to the address listed on this Final Order in accordance with N.J.A.C. 11:17D-2.1(a)3; and

IT FURTHER APPEARING, that service of the OTSC to the residence and business address of Respondents at 1017 Kissam Ct.,



South Plainfield, NJ constitutes lawful service pursuant to N.J.A.C. 11:17D-2.1(a)3;

NOW, THEREFORE, IT IS on this 25<sup>th</sup> day of APRIL, 2017

ORDERED, that the charges contained in Order to Show Cause No. E16-84 are deemed admitted by Respondents due to Respondents' failure to respond to the alleged violations, pursuant to N.J.A.C. 11:17D-2.1(b)1; and

IT IS FURTHER ORDERED that, pursuant to N.J.S.A. 17:22A-40, and N.J.A.C. 11:17D-2.1(b)2, the insurance producer licenses of Respondents are hereby **REVOKED** effective upon the execution of this Final Order by the Commissioner; and

IT IS FURTHER ORDERED that, pursuant to N.J.S.A. 17:22A-45c, Respondents shall each be jointly and severally responsible for the payment to the Commissioner of \$17,000.00 in civil penalties, consisting of a separate civil penalty for each of the five violations, as stated in the OTSC, calculated as follows:

Count 1: Respondents shall be jointly and severally responsible for the payment of civil penalties of \$5,000 for misappropriating a bail bond premium; and

Count 2: Respondents shall be jointly and severally responsible for the payment of civil penalties of \$10,000 for failing to remit premium funds to the insurer or return premium funds to the insured within five business days; and

Count 3: Respondents shall be jointly and severally responsible for the payment of civil penalties of \$1,000 for failing to respond to a Department inquiry letter; and

Count 4: Respondents shall be jointly and severally responsible for the payment of civil penalties of \$1,000 for failing to respond to a Department subpoena; and

Count 5: No additional penalty is imposed for Count 5 as the misconduct alleged therein is substantially included in the prior counts; and

IT IS FURTHER ORDERED that, pursuant to N.J.S.A. 17:22A-45c, Respondents shall be responsible for the reimbursement to the Commissioner of the costs of investigation totaling \$450.00. A true and correct copy of the Certification of Ellena Herbert, Investigator, is attached hereto as Exhibit "B"; and

IT IS FURTHER ORDERED that, pursuant to N.J.S.A. 17:22A-45c, Respondents shall make restitution to MA in the total amount of \$20,000; and


IT IS FURTHER ORDERED, that Respondents shall pay the above fines and costs totaling \$17,450.00 in full by remitting payment to the Commissioner of Banking and Insurance, State of New Jersey, 20 West State Street, P.O. Box 329, Trenton, New Jersey 08625, Attention: Virgil Downtin, Chief of Investigations by certified check, cashier's check or money order made payable to the "State of

New Jersey, General Treasury," within ten (10) days from the date of service of this Order; and

IT IS FURTHER ORDERED, that in the event full payment of the fines and costs are not made, the Commissioner may exercise any and all remedies available by law, including but not limited to recovery of any unpaid penalties, in accordance with the Penalty Enforcement Law, N.J.S.A. 2A:58-10 et seq.; and

IT IS FURTHER ORDERED, that the fines in this Final Order are imposed pursuant to the police powers of the State of New Jersey for the enforcement of the law and the protection of the public health, safety and welfare, and are not intended to constitute debts which may be limited or discharged in a bankruptcy proceeding; 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 the OTSC.

  
\_\_\_\_\_  
Peter L. Hartt  
Director of Insurance

**EXHIBIT A**

CHRISTOPHER S. PORRINO  
ATTORNEY GENERAL OF NEW JERSEY  
Attorney for Petitioner  
Richard J. Hughes Justice Complex  
25 Market Street  
P. O. Box 117  
Trenton, New Jersey 08625

By: Brian R. Fitzgerald  
Deputy Attorney General  
NJ Attorney ID No. 024972004  
(609)292-9246  
Brian.Fitzgerald@lps.state.nj.us

STATE OF NEW JERSEY  
DEPARTMENT OF BANKING AND INSURANCE

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Proceedings by the Commissioner )  
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1066187, and Abraham Bashner, )  
Jr., Reference No. 1028905, )  
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CERTIFICATION OF  
DEPUTY ATTORNEY GENERAL  
BRIAN R. FITZGERALD

I, Brian R. Fitzgerald, of full age, do of my own personal knowledge make the following statements 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 New Jersey Department of Banking and Insurance ("Department") in the above matter. I submit this certification in support of the Department's request that a Final Order be entered against AJS Bail Bonds, LLC and Abraham Bashner, Jr.

("Respondents"), and specifically to establish that proper service of Order to Show Cause No. E16-84 ("OTSC") was made upon Respondents.

2. The Commissioner of the Department issued the OTSC on September 9, 2016.

3. By letter dated October 26, 2016, my office mailed a copy of the OTSC to Respondents via regular and certified mail, return receipt requested, at the following address on file with the Department: 1017 Kissam Court, South Plainfield, NJ 07080-2431.

4. The regular mail and certified mail to Respondents were returned as undeliverable and "Unclaimed," respectively. Attached as Exhibit A are true and correct copies of the regular and certified mail envelopes.

5. Also by letter dated October 26, 2016, my office served a copy of the OTSC on Respondents via regular and certified mail, return receipt requested, at the following last known residence and business address of record for Respondent on file with the Department, pursuant to N.J.A.C. 11:17D-2.1(a)3: 650 Newark Avenue, Jersey City, NJ 07306.

6. The regular mail to Respondents was returned to this office as "Return to Sender - Attempted - Not Known - Unable to Forward." Attached as Exhibit B are true and correct copies of the Returned Regular Mail Envelopes.

7. The certified mailing to Respondents was marked "Return to Sender." Attached as Exhibit C are true and correct copies of the Returned Certified Mail Envelopes.

8. Respondent did not respond to the OTSC with the 20 days provided by N.J.A.C. 11:17D-2.1(d)1.

9. Pursuant to N.J.A.C. 11:17D-2.1(a), service of the Order to Show Cause in this manner constitutes lawful service upon Respondent.

10. To date, Respondent has not filed an answer nor requested a hearing to contest the allegations set forth in the OTSC.

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.



Brian R. Fitzgerald  
Deputy Attorney General

Dated: April 17, 2017

**EXHIBIT A**



410

16280-EST82EN5512 71711052980 : 28

UNRECORDED COPY OF ORIGINAL DOCUMENT  
RECORDED COPY OF ORIGINAL DOCUMENT

97/02/1122 1 32 510 SIXTY

*Does not live at this address*

Brian R. Fitzgerald, DAG

*From*  
**DEPARTMENT OF LAW AND PUBLIC SAFETY**

Richard J. Hughes Justice Complex

DIVISION OF LAW PO BOX 117 TRENTON, NJ 08625

To:

Abraham Bashner, Jr.  
1017 Kissam Ct.  
South Plainfield, NJ 07080-2431

ZIP 08620 \$ 001.36



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68200-337826N55TC 71411052980 : CB

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ADDRESS  
RECORDS ON RETURN

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T. 312 518

51218

*Does not live at this address*

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ZIP CODE 28 \$ 001.36



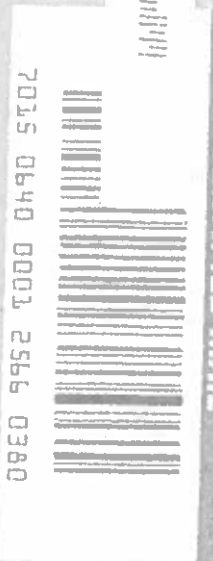
Brian R. Fitzgerald, DAG

*From*  
**DEPARTMENT OF LAW AND PUBLIC SAFETY**

Richard J. Hughes Justice Complex  
DIVISION OF LAW PO BOX 117 TRENTON, NJ 08625

To:

AJS Bail Bonds, LLC  
c/o Abraham Bashner, Jr.  
1917 Kissam Ct.  
South Plainfield, NJ 07080-2431



UNITED STATES POSTAL SERVICE  
ZIP 08538 \$ 007.36°

Brian R. Fitzgerald, DAG

*From*  
**DEPARTMENT OF LAW AND PUBLIC SAFETY**

Richard J. Hughes Justice Complex

DIVISION OF LAW      PO BOX 117      TRENTON, NJ 08625

to



**RETURN TO SENDER**

- UNDELIVERABLE AS ADDRESSED
- ATTEMPTED NOT KNOWN
- INSUFFICIENT ADDRESS
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11.1.21



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U.S. POSTAGE METRIC SCALES  
ZIP PERMITS **\$ 007.36<sup>0</sup>**

Brian R. Fitzgerald, DAG

*From*  
**DEPARTMENT OF LAW AND PUBLIC SAFETY**

Richard J. Hughes Justice Complex

DIVISION OF LAW

PO BOX 117

TRENTON, NJ 08625

To:



- UNDELIVERABLE AS ADDRESSED
- ATTEMPTED NOT KNOWN
- INSUFFICIENT ADDRESS
- NO MAIL RECEIPTABLE
- TEMPORARILY AWAY
- NO SUCH NUMBER
- IN DISPUTE
- BOX CLOSED
- MILNA - UNABLE TO FORWARD

RETURN TO SENDER

VACANT

REFUSED

DECEASED

ILLEGIBLE

UNCLAIMED

2531

EXHIBIT B



APR 6 1977

Brian R. Fitzgerald, DAC

*From*  
**DEPARTMENT OF LAW AND PUBLIC SAFETY**

Richard J. Hughes Justice Complex

DIVISION OF LAW      PO BOX 117      TRENTON, NJ 08625

To

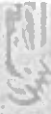
Abraham Bashner, Jr.  
650 Newark Avenue  
Jersey City, NJ 07306

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ATTEMPTED - NOT KNOWN  
UNABLE TO FORWARD

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U.S. POSTAGE



ZIP 08528

OT 16



Brian R. Fitzgerald . DAG

*From*

**DEPARTMENT OF LAW AND PUBLIC SAFETY**

Richard J. Hughes Justice Complex

DIVISION OF LAW PO BOX 117 TRENTON, NJ 08625

To

AIS Bail Bonds, LLC  
650 Newark Avenue

**NIXIE 073065053-1N 12/03/16**

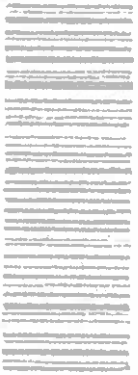
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ATTEMPTED - NOT KNOWN  
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EXHIBIT C



CERTIFIED MAIL



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U.S. POSTAGE & METS SERVICE  
EPA 09718 S 007.36

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15.50

Answer

Brian R. Fitzgerald, DVG

*from:*  
**DEPARTMENT OF LAW AND PUBLIC SAFETY**  
Richard J. Hughes Justice Complex  
DIVISION OF LAW    PO BOX 117    TRENTON, NJ 08625

*to:*  
Abraham Bashner, Jr.  
650 Newark Avenue  
Jersey City, NJ 07306

U.S. POSTAGE & METS SERVICE

CERTIFIED MAIL



7015 0640 0001 2566 0403

U.S. POSTAGE  
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ZP70828 \$007.36<sup>0</sup>

MS  
650

Ave  
County

Brian R Fitzgerald DAs

*From*  
**DEPARTMENT OF LAW AND PUBLIC SAFETY**  
Richard J Hughes Justice Complex  
DIVISION OF LAW PO BOX 117 TRENTON, NJ 08625

*To*  
AJS Bail Bonds, LLC  
550 Newark Avenue  
Jersey City, NJ 07306

MS

Official Use Only of the State of New Jersey

EXHIBIT B

Proceedings by the )  
Commissioner of Banking and )  
Insurance, State of New )  
Jersey, to fine, suspend and )  
or revoke the Insurance )  
Producer Licenses of AJS Bail )  
Bonds, LLC, Reference No. )  
1066187, and Abraham Bashner, )  
Jr., Reference No. 1028905, )

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CERTIFICATION OF COSTS  
BY INVESTIGATOR  
ELLENA HERBERT

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

1. I am an investigator with the New Jersey Department of Banking and Insurance, Division of Insurance, Consumer Protection Services ("Department").

2. This certification is submitted in support of the Department's application for reimbursement of its costs of investigation and prosecution, in accordance with N.J.S.A. 17:22A-45c.

3. On or about September 17, 2014, I was assigned responsibility for conducting an investigation to determine whether AJS Bail Bonds, LLC and Abraham Bashner, Jr., may have violated certain provisions of the New Jersey Producer Licensing Act of 2001, N.J.S.A. 17:22A-26, et seq., and related insurance



5. As this schedule reflects, the investigative efforts expended by the Department of Banking and Insurance concerning this matter total 9 hours and 0 minutes. Pursuant to N.J.A.C. 11:1-32.4(b)20, costs to the Department for the investigation and prosecution for violations of the New Jersey Insurance Producer Licensing Act of 2001, N.J.S.A. 17:22A-26, et seq., are reimbursable at the rate of \$50.00 per hour, rounded to the nearest quarter hour.

6. I therefore request that the Department's costs of investigation and prosecution be reimbursed in the amount of \$450.00.

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

  
\_\_\_\_\_  
Ellena Herbert

Dated: April 05, 2017