

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
Kai Chong Cheng, Reference No. 1068405) ORDER

To: Kai Chong Cheng
51 Norman PL
Tenafly, NJ 07670

This matter, having been opened by the Commissioner of Banking and Insurance (“Commissioner”), State of New Jersey, upon information that Kai Chong Cheng (“Respondent”), currently licensed as a resident insurance producer, pursuant to N.J.S.A. 17:22A-32a, may have violated various provisions of the insurance laws of the State of New Jersey; and

WHEREAS, Respondent is subject to the provisions of the 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 (1), an insurance producer shall not provide incorrect, misleading, incomplete or materially untrue information in the license application;

WHEREAS, pursuant to N.J.S.A. 17:22A-40a (2), an insurance producer shall not violate any insurance law, 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 (3), an insurance producer shall not obtain or attempt to obtain a license through misrepresentation 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 (15), an insurance producer shall not intentionally withhold material information or make a material misstatement in an application for a license; and

WHEREAS, pursuant to N.J.S.A. 17:22A-47a, an insurance producer shall report to the commissioner any administrative action taken against the insurance producer in another jurisdiction or by another governmental agency in this State within 30 days of the final disposition of the matter, and the report shall include a copy of the order, consent order or other relevant legal documents; and

WHEREAS, the Respondent, failed to report to the Commissioner the Summary Revoaction Order of the New Jersey Bureau of Securities issued on December 16, 2016, in violation of N.J.S.A. 17:22A-40a (2) and (8), and N.J.S.A. 17:22A-47a; and

WHEREAS, the Respondent renewed his producer license on January 5, 2017, but incorrectly responded "No" to the question that asked " Have you been named or involved as a party in an administrative proceeding, including a FINRA sanction or arbitration proceeding regarding any professional or occupational license or registration, which has not been previously reported to this insurance department?", in violation of N.J.S.A. 17:22A-40a (1), (2), (3), (8) and (15); and

WHEREAS, the Respondent:

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

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

WHEREAS, the Respondent has waived his right to a hearing on the aforementioned violations and consented to the payment of a fine in the amount of \$2,000.00; and

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

NOW, THEREFORE, IT IS on this 30th day of May, 2017

ORDERED AND AGREED, that the Respondent pay a fine in the amount of \$2,000.00 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 Respondent; and

IT IS FURTHER ORDERED AND AGREED that the signed Consent Order, together with the fine payment of \$2,000.00, 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

and

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

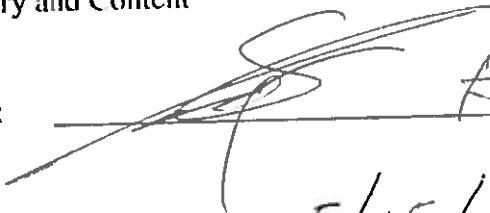
IT IS FURTHER ORDERED AND AGREED, that the provisions of this Consent Order represent a final agency decision and constitute a final resolution of the violations contained herein; and

IT IS FURTHER ORDERED AND AGREED, that the Respondent shall cease and desist 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

By:  For Dong Cheng

Date 5/15/2017

David S. Lee
Notary Public
New Jersey
My Commission Expires 12-15-19
No. 50007326


Notary Public