

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
Builders Title Agency, Inc., Reference No.) ORDER
8731395)

To: Builders Title Agency, Inc.
Suite 106
70 Grand Avenue
River Edge, NJ 07661

This matter, having been opened by the Commissioner of Banking and Insurance ("Commissioner"), State of New Jersey, upon information that Builders Title Agency, Inc., ("Respondent"), currently licensed as a resident business entity 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, 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(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(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(12), an insurance producer shall not knowingly accept insurance business from an unlicensed insurance producer; and

WHEREAS, pursuant to N.J.A.C. 11:17A-1.2, inducement means money or any favor, advantage, object, valuable consideration or anything other than money which has a cost of or a redeemable value greater than \$25.00; and

WHEREAS, pursuant to N.J.A.C. 11:17A-1.3(d), no licensed insurance producer shall permit or allow any unlicensed person to transact the business of an insurance producer; and

WHEREAS, pursuant to N.J.A.C. 11:17A-2.3(a), no insurance producer shall offer, make or give, or permit to be offered, made or given, to any person directly or indirectly, an inducement to purchase insurance other than that plainly expressed in the insurance contract; and

WHEREAS, pursuant to N.J.A.C. 11:17B-2.1(a), no insurance producer shall pay any commission to any unlicensed individual or organization for services rendered in this State as an insurance producer except for services rendered while licensed; and

WHEREAS, on and between February 2, 2010 and December 16, 2015, Respondent accepted title insurance business from and paid insurance commissions in the amount of \$30,720.39 to CWH for the placement of fifty (50) title insurance policies, while the insurance producer license of CWH was expired and in an inactive status, in violation of N.J.S.A. 17:22A-40a(2), (8) and (12), N.J.A.C. 11:17A-1.3(d) and N.J.A.C. 11:17B-2.1(a); and

WHEREAS, on and between December 31, 2010 and December 27, 2011, Respondent accepted title insurance business from and paid insurance business commissions in the amount of \$8,614.77 to AMC for the placement of twenty (20) title insurance policies, while the insurance producer license of AMC was expired and in an inactive status, in violation of N.J.S.A. 17:22A-40a(2), (8) and (12), N.J.A.C. 11:17A-1.3(d) and N.J.A.C. 11:17B-2.1(a); and

WHEREAS, on and between January 1, 2013 and June 1, 2016, Respondent distributed more than thirty-four (34) bank gift cards in amounts from \$50.00 to \$100.00, more than forty-two (42) restaurant gift cards in amounts from \$100.00 to \$200.00, and more than thirty-six (36) car wash coupon ticket books in amounts from \$35.00 to \$45.00 as an inducement to the placement of title insurance business with Respondent, in violation of N.J.S.A. 17:22A-40a(2) and (8), N.J.A.C. 11:17A-1.2 and N.J.A.C. 11:17A-2.3(a) ; and

WHEREAS, Respondent:

- 1) Has admitted responsibility for the aforementioned violations; and
- 2) Has cooperated with the investigation conducted by the New Jersey Department of Banking and Insurance (“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-40a and N.J.S.A. 17:22A-45c to impose a fine; and

WHEREAS, Respondent has waived the right to a hearing on the aforementioned violations and consented to the payment of a fine in the amount of \$40,000.00; 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 18th day of July, 2017

ORDERED AND AGREED, that Respondent shall pay a fine in the amount of \$40,000.00 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"; and

IT IS FURTHER ORDERED AND AGREED, that the signed Consent Order, together with the fine payment of \$40,000.00, 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 08625-0329

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

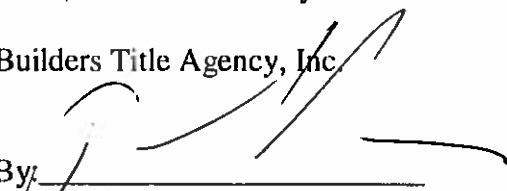
IT IS FURTHER ORDERED AND AGREED, that Respondent shall cease and desist engaging in the conduct that gave rise to this Consent Order.



Peter L. Hartt
Director of Insurance

Consented to as to
Form, Content and Entry

Builders Title Agency, Inc.

By: 

Peter Montalbano
DRLP, Vice President-Treasurer

Date: 6-28-17


CATHLEEN T. MAGLIOLA
Notary Public of New Jersey
ID # 2010046
My Commission Expires March 27, 2021