

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.A.C. 11:17B-3.1(b), any insurance producer charging a fee to an insured or prospective insured shall first obtain from the insured or prospective insured a written agreement, which shall be separate and apart from all other agreements and applications, and shall contain specified provisions and no other provisions; and

WHEREAS, on or about January 1, 2010 through December 31, 2016, Respondents charged fees to thirty-five (35) New Jersey resident individuals and businesses for a total of ninety-eight (98) applications for professional liability insurance issued through Respondents without obtaining a required written agreement, in violation of N.J.S.A. 17:22A-40a(2) and (8) and N.J.A.C. 11:17B-3.1(b); and

WHEREAS, the Respondents:

- 1) Have admitted responsibility for the aforementioned violations; and
- 2) Have cooperated with the investigation conducted by the New Jersey Department of Banking and Insurance ("Department"); and
- 3) Have 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, Respondents have waived their right to a hearing on the aforementioned violations and have 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;

NOW, THEREFORE, IT IS on this 9th day of January 2018

ORDERED AND AGREED, that the Respondents shall pay a fine in the amount of \$5,000.00 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 the Respondents; and

IT IS FURTHER ORDERED AND AGREED that the signed Consent Order together with the payment of \$5,000.00 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 08625-0329

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 Respondents 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

North American Professional Liability Insurance Agency

By: 
Gary B. Sutherland, Chief Executive Officer

Date: 12-29-17


Gary B. Sutherland

Date: 12-29-17