

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 revoke) CONSENT
the insurance license of Gwynne B.) ORDER
Kesselman, Reference No. 1010406)

TO: Gwynne B. Kesselman
12 Dobson Road
Edison, NJ 08817-4127

This matter, having been opened by the Commissioner of Banking and Insurance (“Commissioner”), State of New Jersey, upon information that Gwynne B. Kesselman (“Respondent”), formerly licensed as a resident individual 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, the Respondent is subject to the provisions of New Jersey Insurance Producer Licensing Act of 2001, N.J.S.A. 17:22A-26 to -48 (the “Producer Act”), the provisions of the Title Insurance Act of 1974, N.J.S.A. 17:46B-1 to -62, and the regulations governing Insurance Producer Standards of Conduct, N.J.A.C. 11:17A-1.1 to 11:17D-2.8; and

WHEREAS, pursuant to N.J.S.A. 17:22A-40a, the Commissioner may place on probation, suspend, revoke or refuse to issue or renew an insurance producer’s license, and may levy a civil penalty, for a violation of the Producer 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.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(16), an insurance producer shall not commit any fraudulent act; and

WHEREAS, pursuant to N.J.S.A. 17:22A-42a, any insurer authorized to transact business in this State may, by written contract, appoint as its agent, a person that holds a valid insurance producer license issued in accordance with the provisions of the Producer Act. The contract shall authorize the insurance producer to act as an agent for the appointing insurer for all lines of insurance for which the insurer is authorized in this State and the agent holds authority in this State, unless specifically limited. The contract shall contain the duties, responsibilities and limitations of authorities between the agent and the appointing insurer, and the agent shall abide by its terms; and

WHEREAS, pursuant to N.J.S.A. 17:46B-10.1a, every title insurance producer licensed pursuant to P.L.1987, c.293 (C.17:22A-1 et seq.) or P.L.2001, c.210 (C.17:22A-

26 et seq.), and every title insurance company shall maintain a separate record of all receipts and disbursements as a depository for funds representing closing or settlement proceeds of a real estate transaction, which funds shall be deposited in a separate trust or escrow account, and which shall not be commingled with a producer's or company's own funds or with funds held by a producer or company in any other capacity; 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 in said inquiry, 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, the Respondent and North American Title Insurance Company ("NATIC") signed an Issuing Agency Contract on May 7, 2012 for the purpose of closing and processing real estate transactions and other related title matters; and

WHEREAS, the Respondent caused, permitted or was otherwise responsible for failing to timely pay off the prior mortgage of AL and RL during the refinancing of their property on or about October 12, 2012, in violation of N.J.S.A. 17:22A-40a(2) and (16); and

WHEREAS, the Respondent failed to abide by the settlement provisions of the aforementioned contract with NATIC, in violation of N.J.S.A. 17:22A-40a(2) and N.J.S.A. 17:22A-42a; and

WHEREAS, the Respondent was issued Subpoena No. 16-02 for the production of agency records by October 12, 2016 concerning the real estate closing transactions of

property owners AL, RL, JJ and SJ and failed to provide any documents, in violation of N.J.S.A. 17:22A-40a(2) and N.J.A.C. 11:17A-4.8; and

WHEREAS, Respondent:

- 1) Has admitted responsibility for the aforementioned violations; and
- 2) Has cooperated with the investigation conducted by the Department; and

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

NOW, THEREFORE, IT IS on this 1st day of October, 2018

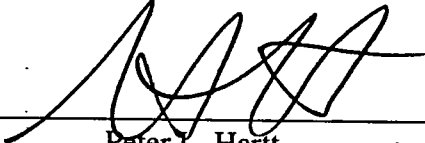
ORDERED and AGREED, that the Respondent consents to the revocation of her resident insurance producer license, Reference Number 1010406, pursuant to N.J.S.A. 17:22A-40a, and said licenses shall be immediately returned to the Department upon execution of this Consent Order by Respondent, and sent to the attention of:

New Jersey Department of Banking and Insurance
Attention: Virgil Downtin, Chief of Investigations
9th Floor, Consumer Protection Services, Enforcement Unit
P O Box 329
Trenton, New Jersey 08625-0329

and

IT IS FURTHER ORDERED AND AGREED, that pursuant to N.J.A.C. 11:17D-2.7, the Respondent is barred from reapplying for insurance producer licenses for a period of five years from the date of the Commissioner's issuance of this Consent Order; 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.


Peter L. Hartt
Director of Insurance

Consented to as to
Form, Content and Entry

By: 
Gwynne B. Kesselman

Date: 9-21-18

NADIA F ABDALLA
Notary Public - State of New Jersey
My Commission Expires Mar 30, 2022

 9/21/18