

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 )  
the insurance license of Thomas Harbaugh, ) CONSENT  
Reference No. 1032075 ) ORDER

To: Thomas E. Harbaugh  
612 S York Rd,  
Hatboro, PA 19040

This matter, having been opened by the Commissioner of Banking and Insurance (“Commissioner”), State of New Jersey, upon information that Thomas E. Harbaugh (“Respondent”), formerly licensed as a nonresident individual insurance producer, pursuant to N.J.S.A. 17:22A-34a, 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 to -48 (the “Producer Act”) 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, or may levy a civil penalty, for a violation of the Producer Act: 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(6), an insurance producer shall not have been convicted of a felony or crime of the fourth degree or higher; and

WHEREAS, pursuant to N.J.S.A. 17:22A-40a(7), an insurance producer shall not have admitted or been found to have committed any insurance unfair trade practice 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(16), an insurance producer shall not have committed any fraudulent act; and

WHEREAS, pursuant to N.J.S.A. 17:22A-40a(18), an insurance producer shall not fail to notify the commissioner within 30 days of his conviction of any crime, indictment or the filing of any formal criminal charges, or the suspension or revocation of any insurance license or authority by a state, other than this State, or the initiation of formal disciplinary proceedings in a state, other than this State, affecting the producer's insurance license; or failing to obtain the written consent pursuant to sections 1033 and 1034 of Title 18, United States Code (18 U.S.C. ss. 1033 and 1034); or failing to supply any documentation that the commissioner may request in connection therewith; 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. This report shall include a copy of the order, consent order or other relevant legal documents;  
and

WHEREAS, pursuant to N.J.S.A. 17:22A-47b, within 30 days of the initial pretrial hearing date, an insurance producer shall report to the commissioner any criminal prosecution of the producer taken in any jurisdiction. The report shall include a copy of the initial complaint filed, the order resulting from the hearing and any other relevant legal documents; and

WHEREAS, the Respondent, effective June 27, 2017, entered into a Consent Order with the Insurance Commissioner of the Commonwealth of Pennsylvania, agreeing to the revocation of his insurance producer license for acts of insurance fraud, but failed to report the matter to the New Jersey Department of Banking and Insurance (“Department”), in violation of N.J.S.A. 17:22A-40a(2), (7), (8), (16) and (18) and N.J.S.A. 17:22A-47a; and

WHEREAS, the Respondent, subsequent to the insurance producer license revocation, was arrested and charged with criminal conduct by the Commonwealth of Pennsylvania and on June 18, 2018, pled guilty to theft/failure to make required disposition and insurance fraud and was sentenced to six months of house arrest, five years’ probation and restitution of \$83,293.00, but failed to notify the Department of his arrest and conviction in violation of N.J.S.A. 17:22A-40a(2), (6), (7), (8), (16) and (18) and N.J.S.A. 17:22A-47b; and

WHEREAS, the Respondent:

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

WHEREAS, cause does exist under N.J.S.A. 17:22A-40a to revoke the Respondent’s nonresident insurance producer license; and

WHEREAS, the Respondent has waived his right to a hearing on the aforementioned violations and has consented to the revocation of the nonresident insurance producer license; and

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

NOW, THEREFORE, IT IS on this 30<sup>th</sup> day of October, 2018

ORDERED AND AGREED, that the Respondent's nonresident insurance producer license, Reference Number 1032075, is revoked pursuant to N.J.S.A. 17:22A-40a, and said license shall be immediately returned to the Department upon execution of this Consent Order by the Respondent; and


IT IS FURTHER ORDERED AND AGREED, that the signed Consent Order, together with the Respondent's nonresident producer license shall be returned to:

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


and

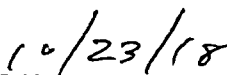
IT IS FURTHER ORDERED AND AGREED, that pursuant to N.J.A.C. 11:17D-2.7. the Respondent is barred from reapplying for an insurance producer license for a period of five years from the date of this Consent Order; and

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. Hart  
Director of Insurance

Consented to as to Form,  
Entry and Content

By:   
Thomas E. Harbaugh

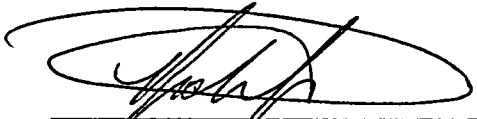
  
Date

**INDIVIDUAL ACKNOWLEDGMENT**

STATE OF PENNSYLVANIA  
COUNTY OF MONTGOMERY

On the 23<sup>rd</sup> day of October, 2018 before me, Nicole Hays  
the undersigned Notary Public, personally appeared Thomas Edwin Harbaugh  
proved to me through PA Driver's License

and acknowledged to me that he/she/they executed the foregoing instrument for the purposes stated therein.

  
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Notary Public

Commonwealth of Pennsylvania  
Notarial Seal  
NICOLE HAYS - Notary Public  
UPPER MORELAND TWP - MONTGOMERY COUNTY  
My Commission Expires Jul 27, 2021