

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, suspend, and/or revoke the insurance license of Kirti Shah, Reference No. 9023393.)))))	ORDER SUSPENDING KIRTI SHAH'S INSURANCE PRODUCER LICENSE PENDING COMPLETION OF ADMINISTRATIVE PROCEEDINGS
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TO: Kirti Shah
1 Quinby Court
Parsippany, NJ 07054

THIS MATTER, having been opened by the Commissioner of Banking and Insurance ("Commissioner"), State of New Jersey, upon information that Kirti Shah ("Respondent"), may have violated various provisions of the insurance laws of the State of New Jersey; and

WHEREAS, Respondent is currently licensed as a resident insurance producer in the State of New Jersey pursuant to N.J.S.A. 17:22A-32(a); 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 ("Producer Act"), the Producer Licensing regulations, N.J.A.C. 11:17-1.1 to -2.17, the regulations governing Insurance Producer Standards of Conduct, N.J.A.C. 11:17A-1.1 to 11:17D-2.8 and the Persons Employed in the Business of Insurance Regulations, N.J.A.C. 11:17E:1-1 to -1.7; and

WHEREAS, pursuant to N.J.S.A. 17:22A-40(a)(2), the Commissioner may suspend or revoke the license of an insurance producer if the licensee has violated 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-40(a)(6), the Commissioner may suspend or revoke the license of an insurance producer if the licensee has been convicted of a felony or crime of the fourth degree or higher; and

WHEREAS, pursuant to N.J.S.A. 17:22A-40(a)(8), the Commissioner may suspend or revoke the license of an insurance producer if the licensee has used fraudulent, coercive or dishonest practices, or demonstrated 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-40(a)(16), the Commissioner may suspend or revoke the license of an insurance producer if the licensee commits any fraudulent act; and

WHEREAS, pursuant to N.J.S.A. 17:22A-45(d), in any formal proceeding, if the Commissioner finds that the interests of the public require that immediate action be taken prior to completion of the hearing, the making of a determination, and the entry of a final order, the Commissioner may enter an appropriate order to be effective pending completion of the hearing and entry of a final order; and

WHEREAS, pursuant to 18 U.S.C. § 1033 and N.J.A.C. 11:17E-1.3, no person having been convicted of a felony involving breach of trust or dishonesty or having been convicted under 18 U.S.C. § 1033 shall be employed in the business of insurance in this State in any capacity without having first obtained a waiver from the Commissioner or his or her designee in accordance with the provisions of 18 U.S.C. § 1033(e)(2) and N.J.A.C. 11:17E-1.3; and

WHEREAS, pursuant to N.J.A.C. 11:17E-1.2, dishonesty is defined as any act, omission, or commission, which involves or in any way constitutes the offense of theft, larceny, robbery, wrongful appropriation, criminal conversion, tax evasion, perjury, bribery, forgery, defalcation, counterfeiting, false or misleading oral or written statements, deception, fraud, schemes or other

artifices to deceive or defraud, material misrepresentation and/or the failure to disclose material facts which are part of a criminal enterprise; and

WHEREAS, pursuant to N.J.A.C. 11:17E-1.2, a felony means, among other things, any crime identified as an offense of the first, second, third, or fourth degree pursuant to N.J.S.A. 2C:1-4 and 43-1; and

IT APPEARING, that, on or about June 27, 2017, Respondent received a criminal complaint summons ("Complaint") from the State of New Jersey, Morris County, charging him with one felony count of insurance fraud in the third degree under N.J.S.A. 2C:21-4.6(a), and two felony counts of forgery in the fourth degree under N.J.S.A. 2C:21-1(a)(1) and (3), respectively; and

IT FURTHER APPEARING, that on October 10, 2017, Respondent waived his right to prosecution by indictment and trial by jury; and

IT FURTHER APPEARING, that on that same day, Respondent entered into a plea agreement whereby Respondent pleaded guilty to one count of fourth degree forgery; and

IT FURTHER APPEARING, that on November 3, 2017, a Judgment of Conviction was entered by the Superior Court of Morris County convicting Respondent of one count of felony forgery in the fourth degree under N.J.S.A. 2C:21-1(a)(1) based on Respondent altering or changing a writing of another without authorization; and

IT FURTHER APPEARING, that Respondent's conviction constitutes a felony involving dishonesty or breach of trust in accordance with N.J.A.C. 11:17E-1.2; and

IT FURTHER APPEARING, that pursuant to 18 U.S.C. § 1033(e)(2) and N.J.A.C. 11:17E-1.3(a), Respondent cannot be employed in the business of insurance in this State in any capacity without having first obtained a waiver from the Commissioner; and

IT FURTHER APPEARING, that the Commissioner has not issued a waiver to Respondent and, as a result, Respondent cannot legally be employed in the business of insurance in this State; and

IT FURTHER APPEARING, that Order to Show Cause, No. E19-12, was issued against Respondent on January 24, 2019, seeking immediate suspension of Respondent's license pending the completion of administrative proceedings, and Respondent had seven (7) days to request a hearing, be represented by counsel at his own expense, take testimony, call or cross-examine witnesses, to have subpoenas issued, and present evidence or argument at a hearing; and

IT FURTHER APPEARING, that a separate Order to Show Cause No. E19-13 was also issued against Respondent on January 24, 2019, seeking license revocation, monetary penalties, and costs, as appropriate Respondent had twenty (20) days to file an Answer to the Order to Show Cause; and

IT FURTHER APPEARING, that on January 31, 2019, the Respondent, via e-mail, requested an extension of thirty days to respond to the Orders to Show Cause; and

IT FURTHER APPEARING that on February 6, 2019 the Department of Banking and Insurance's counsel, Nicholas Kant, Deputy Attorney General, consented to an extension to March 15, 2019 for the Respondent to file a response to Order to Show Cause No. E19-13, which seeks license revocation, monetary penalties, and costs, but not to Order to Show Cause No. E19-12, which seeks the immediate suspension of Respondent's license pending the completion of administrative proceedings; and

IT FURTHER APPEARING, that on February 6, 2019 the Respondent, via e-mail, indicated that he had "suspended to write any form of insurance business under [his] NJ Resident

Producer License, nor any form of business under any other Non-Resident broker license” effective January 31, 2019; and

IT FURTHER APPEARING, that on March 5, 2019, the Department of Banking and Insurance’s counsel, Brian R. Fitzgerald, Deputy Attorney General, certified that the Respondent had been properly served with Orders to Show Cause No. E19-12 and No. E19-13 and requested that an Order suspending Respondent’s insurance producer license pending completion of administrative proceedings be issued; and

IT FURTHER APPEARING, that by letter dated March 8, 2019 the Respondent stated that his request for an extension to respond to Order to Show Cause No. E19-12 was denied and that he had “no choice but to provide [his] reasons as to why [his] State of New Jersey Resident License should NOT be suspended.”; and

IT FURTHER APPEARING, that the Respondent’s March 8, 2019 letter did not list any reasons why his license should not be suspended; and

IT FURTHER APPEARING, that the Department of Banking and Insurance’s counsel, Brian R. Fitzgerald, Deputy Attorney General, responded by letter dated March 11, 2019 that the Respondent’s letter was sent after the time to respond had expired and the Respondent had not given reasons why his license should not be suspended; and

IT FURTHER APPEARING, that pursuant to N.J.S.A. 17:22A-45(d), the Commissioner is empowered to immediately suspend the license of an insurance producer if the Commissioner finds that the public interest requires immediate suspension prior to the completion of formal administrative proceedings; and

IT FURTHER APPEARING, that in the instant case, the public interest requires immediate suspension prior to the completion of formal administrative proceedings because the crime for

which the Respondent has been convicted and the conduct underlying that crime, forgery in the fourth degree based on Respondent altering or changing a writing of another without authorization, is a serious offense and the public needs to be able to rely on a licensee's honesty and integrity; and

NOW, THEREFORE, IT IS on this 25th day of March, 2019

ORDERED, that, pursuant to N.J.S.A. 17:22A-45(d), the insurance producer license held by Respondent Kirti Shah is hereby immediately suspended pending completion of administrative proceedings and entry of a Final Order; and

IT IS FURTHER ORDERED, that Respondent has the right, pursuant to N.J.S.A. 17:22A-45(d), to move to vacate this Order upon ten (10) days' notice. Any motion to vacate this Order must be in writing and filed with the Commissioner by delivery to the Office of Regulatory Affairs, Department of Banking and Insurance, 20 West State Street, P.O. Box 325, Trenton, NJ 08625, with a copy to be sent to the Department of Banking and Insurance's counsel, Brian R. Fitzgerald, Deputy Attorney General, 25 Market Street, P.O. Box 117, Trenton, NJ 08625.



Marlene Caride
Commissioner

Jd Shah Order Suspending License/Orders