

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
Bony Coulanges, Reference No. 9724147, and) ORDER
Inter States Insurance Agency, Inc., Reference)
No. 1270685)

To: Bony Coulanges
 1130 Hamilton Ave.
 Trenton, NJ 08629

Inter States Insurance Agency
1130 Hamilton Ave.
Trenton, NJ 08629

This matter, having been opened by the Commissioner of Banking and Insurance (“Commissioner”), State of New Jersey, upon information that Bony Coulanges (“Coulanges”), currently licensed as a resident individual insurance producer, pursuant to N.J.S.A. 17:22A-32a, and Inter States Insurance Agency (“Inter States”), currently licensed as a resident business entity insurance producer, pursuant to N.J.S.A. 17:22A-32b, may have violated the insurance laws of the State of New Jersey; and

WHEREAS, Coulanges and Inter States (collectively “Respondents”) are 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”), the regulations governing Producer Licensing, N.J.A.C. 11:17-1.1 to -2.17, 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-32b(2), Coulanges is the designated responsible licensed producer of Inter States and responsible for the agency's compliance with the insurance laws, rules and regulations of this State; 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-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(4), an insurance producer shall not improperly withhold, misappropriate, or convert any monies or properties received in the course of doing insurance business; 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. 11:17-2.9(c), an insurance producer shall advise the Department in writing by hard copy or electronic means of the closing of any branch office within 30 calendar days of the closing; and

WHEREAS, pursuant to N.J.A.C. 11:17C-2.1(a), all premium funds shall be held by an insurance producer in a fiduciary capacity and shall not be misappropriated, improperly converted to the insurance producer's own use, or illegally withheld by the licensee; and

WHEREAS, pursuant to N.J.A.C. 11:17C-2.2(a) all premium funds shall be remitted to the insurer or other insurance producer, as applicable, within five business days after receipt of the funds , subject to certain exceptions; and

WHEREAS, pursuant to N.J.A.C. 11:17C-2.3(a) an insurance producer shall establish and maintain a trust account into which shall be deposited cash, checks and other instruments payable to the insurance producer under certain circumstances; and

WHEREAS, pursuant to N.J.A.C. 11:17C-2.3(b), a trust account shall be designated a "Trust Account" on the bank records and those words shall be displayed on the face of the checks on that account; and

WHEREAS, pursuant to N.J.A.C. 11:17C-2.4(b) each receipt and receipt book maintained by an insurance producer shall, among other requirements, indicate the name, address and telephone number of the insurance agency; and

WHEREAS, pursuant to N.J.A.C. 11:17C-2.5(a), each insurance producer shall maintain accurate books and records reflecting all insurance-related transactions in which the insurance producer or his employees take part; and

WHEREAS, pursuant to N.J.A.C. 11:17C-2.5(b), each licensee shall maintain a register of all monies received, deposited, disbursed or withdrawn in connection with an insurance transaction, including, but not limited to: premiums; service fees; placement fees; inspection fees; motorclub fees; premium taxes; transfers and disbursements from a trust account; and all transactions concerning, including the balance of, all interest bearing accounts; and

WHEREAS, on January 17, 2018, insured RS remitted \$180.00 to the Respondents and received a receipt for payment of her automobile insurance premium to National Continental Insurance Company (“National”); and

WHEREAS, the Respondents failed to remit the insured’s premium to National until May 24, 2018, failed to retain such funds in a designated trust account and failed to maintain a record of the deposit received, deposited and disbursed, in violation of N.J.S.A. 17:22A-40a(2), (4) and (8), N.J.A.C. 11:17C-2.1(a), N.J.A.C. 11:17C-2.2(a), N.J.A.C. 11:17C-2.3(a) and (b) and N.J.A.C. 11:17C-2.5(a) and (b); and

WHEREAS, the Respondents issued a receipt to insured RS which failed to indicate the name, address and telephone number of agency, in violation of N.J.S.A. 17:22A-40a(2) and (8) and N.J.A.C. 11:17C-2.4(b)

WHEREAS, Respondents closed their branch office and failed to advise the New Jersey Department of Banking and Insurance (“Department”) within 30 days of the closing, in violation N.J.S.A. 17:22A-40a(2) and (8) and N.J.A.C. 11:17-2.9(c); and

WHEREAS, Respondents:

- 1) Have admitted responsibility for the aforementioned violations; and
- 2) Have cooperated with the investigation conducted by the 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, the Respondents have waived their right to a hearing on the aforementioned violations and consented to the payment of a fine in the amount of three thousand five hundred dollars (\$3,500.00); 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 *14th* day of *May*, 2019

ORDERED AND AGREED, that the Respondents pay a fine in the amount of \$3,500.00 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," with an initial payment of \$1,000.00 due and payable immediately upon the execution of this Consent Order by the Respondent and 25 subsequent monthly payments of \$100.00 due and payable on or before the 15th day of each month thereafter; and

IT IS FURTHER ORDERED AND AGREED, that the signed Consent Order, together with the first installment payment of \$1,000.00, and each subsequent monthly installment payment, 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 or any payment is not made in accordance with this Order, 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 to 12; and

IT IS FURTHER ORDERED AND AGREED, that the civil penalty in this Consent Order is imposed pursuant to the police powers of the State of New Jersey for the enforcement of the law and the protection of the public health, safety and welfare, and is not intended to constitute debts which may be limited or discharged in a bankruptcy proceeding; 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 engaging in the conduct that gave rise to this Consent Order.



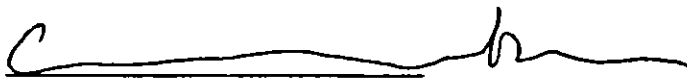
Marlene Caride
Commissioner

Consented to as to Form,
Entry and Content

By:



Bony Coulanges, as the Designated
Responsible Licensed Producer for
Inter States Insurance Agency



Bony Coulanges/Individually

Date:

4/12/2019