

STATE OF NEW JERSEY  
DEPARTMENT OF BANKING AND INSURANCE

IN THE MATTER OF:

Proceedings by the Commissioner of Banking	)	ORDER
and Insurance, State of New Jersey, to fine, suspend	)	TO
and/or revoke the insurance producer license of	)	SHOW CAUSE
Steven A. Suib, Ref. No. 9835983	)	
	)	

TO: Steven A. Suib  
1916 Parker Hill Lane  
Chester Springs, Pennsylvania 19425

Steven A. Suib  
Preservation Wealth Management  
5 Great Valley Parkway, Suite 312  
Malvern, Pennsylvania 19355

This matter, having been opened to the Commissioner of Banking and Insurance (“Commissioner”), State of New Jersey, upon information that Steven A. Suib (“Suib”), may have violated various provisions of the insurance laws of the State of New Jersey; and

WHEREAS, Respondent Suib was previously licensed as a non-resident insurance producer pursuant to N.J.S.A. 17:22A-32, before his license expired on December 31, 2014;

WHEREAS, Respondent Suib is subject to the provisions of the New Jersey Producer Licensing Act of 2001, N.J.S.A. 17:22A-26 et seq.; and

WHEREAS, pursuant to N.J.S.A. 17:22A-29, a person shall not sell, solicit or negotiate insurance in this State unless the person is licensed for that line of authority in accordance with this 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; and

WHEREAS, pursuant to N.J.S.A. 17:22A-40a(5), an insurance producer shall not intentionally misrepresent the terms of an actual or proposed insurance contract, policy, or application for insurance; 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; and

WHEREAS, pursuant to N.J.S.A. 17:22A-40a(16), an insurance producer shall not commit a fraudulent act; and

WHEREAS, pursuant to N.J.S.A. 17:22A-40a(18), an insurance producer shall notify the commissioner within thirty (30) days of the initiation of formal disciplinary proceedings in a state other than this State, affecting the producer's insurance license; and

WHEREAS, pursuant to N.J.S.A. 17:22A-45a, the commissioner shall have the power to conduct investigations, to administer oaths, to interrogate licensees and others, and to issue subpoenas to any licensee or any other person in connection with any investigation, hearing or other proceeding pursuant to this act, without fee; 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; and

WHEREAS, pursuant to N.J.S.A. 17B:30-4, no person shall publish, disseminate, circulate, or place before the public, or cause, directly or indirectly, to be made,

published, disseminated, circulated, or placed before the public, in a newspaper, magazine or other publication, or in the form of a notice, circular, pamphlet, letter or poster, or over any radio or television station, or in any other way, an advertisement, announcement, or statement containing any assertion, representation or statement with respect to the business of insurance and annuities or with respect to any person in the conduct of his insurance and annuity business, which is untrue, deceptive, or misleading; and

WHEREAS, pursuant to N.J.A.C. 11:17A-1.3(b), any person who solicits, negotiates or sells contracts of insurance in New Jersey shall be considered to be transacting the business of insurance in New Jersey so as to require licensure as an insurance producer; and

WHEREAS, pursuant to N.J.A.C. 11:17-2.7(b), no nonresident licensed producer shall conduct business under a name other than its legal or business name in the state where it maintains a resident license; and

### **COUNT 1**

IT APPEARING that on December 2, 2010, Respondent Suib completed a Product Suitability form on behalf of proposed annuitant, AF, which was submitted with an application for an Allianz MasterDex X annuity in the amount of \$320,000.00, in which he misrepresented AF's financial information; and

IT FURTHER APPEARING that Respondent Suib asked AF to sign a blank Product Suitability form before he completed it; and

IT FURTHER APPEARING that the Product Suitability form submitted to Allianz and completed by Respondent Suib, misrepresented AF's monthly income as

\$4,000.00 when AF previously indicated that her monthly income was \$2,400.00 in a document completed by AF for Respondent Suib titled "Income Statement;" and

IT FURTHER APPEARING that the Product Suitability form submitted to Allianz and completed by Respondent Suib, misrepresented that AF did not anticipate a significant increase in living expenses or decrease in household monthly income during the ten (10) year period in which she would own the annuity, when AF actually advised Respondent Suib that she was contemplating purchasing a condominium for approximately \$185,000.00 and purchasing a vehicle for approximately \$15,000.00 within one year of purchasing the annuity; and

IT FURTHER APPEARING that the Product Suitability form submitted to Allianz and completed by Respondent Suib, misrepresented that AF did not anticipate that her liquid assets would be significantly reduced during the ten (10) year period in which she would own the annuity, when AF actually advised Respondent Suib that she was contemplating purchasing a condominium for approximately \$185,000.00 and purchasing a vehicle for approximately \$15,000.00 within one year of purchasing the annuity; and

IT FURTHER APPEARING that on March 5, 2012, Respondent Suib admitted that he was well aware of AF's plans for future major purchases before he sold AF the annuity; and

IT FURTHER APPEARING that Allianz agreed to refund AF her initial investment of the annuity less a \$32,000.00 withdrawal penalty, and adding 1.25% interest, which would total a refund of \$296,425.81, based on statements received by Respondent Suib and information provided by AF indicating that Respondent Suib did

not take into account the clients need to purchase a home in the suitability documents that were submitted with the application; and

IT FURTHER APPEARING that the actions and conduct on the part of Respondent Suib, as set forth above, violate N.J.S.A. 17:22A-40a(2),(5),(8), and (16); and

## COUNT 2

IT FURTHER APPEARING that Respondent Suib transacted insurance business under a named entity, American Tax & Advisory Corp., that is not registered or approved in Respondent Suib's resident state, the Commonwealth of Pennsylvania, or licensed as an organization or registered under an approved trade name; and

IT FURTHER APPEARING that on November 5, 2010, Respondent Suib mailed AF a letter on an "American Tax & Advisory Corp." letterhead and indicated that this entity is located at 8 Interplex Drive, Suite 216, Trevose, Pennsylvania, 09053; and

IT FURTHER APPEARING that the American Tax & Advisory Corp. letterhead includes a subtitle stating, "taxes, investments, and insurance;" and

IT FURTHER APPEARING that the American Tax & Advisory Corp. letterhead includes a footer stating, "retirement planning, income tax preparation, annuities, life insurance, and long term care;" and

IT FURTHER APPEARING that on July 27, 2011, Respondent Suib entered into a Consent Order with the Insurance Commissioner of the Commonwealth of Pennsylvania, which stated, among other things, that Respondent Suib was doing business as American Tax & Advisory, entity No. 3754187, but failed to register the fictitious name with the Insurance Department; and

IT FURTHER APPEARING that on February 11, 2013, Respondent Suib submitted a fictitious name amendment to the Pennsylvania Department of State Bureau Corporations and Charitable Organizations, which stated that the fictitious name, American Tax & Advisory, was being changed to Preservation Wealth Management; and

IT FURTHER APPEARING that a licensee search through Pennsylvania's Department of Insurance fails to contain any licensed entities under the name American Tax & Advisory Corp.; and

IT FURTHER APPEARING that American Tax & Advisory, is not registered or licensed as an insurance producer in this State; and

IT FURTHER APPEARING that the actions and conduct on the part of Respondent Suib, as set forth above, violates N.J.S.A. 17:22A-29, N.J.S.A. 17B:30-4; N.J.A.C. 11:17-2.7(b), and N.J.A.C. 11:17A-1.3(b); and

### **COUNT 3**

IT FURTHER APPEARING that on July 27, 2011, Respondent Suib entered into a Consent Order with the Commonwealth of Pennsylvania where he was ordered to pay a civil penalty in the amount of \$5,000.00 to the Insurance Department of the Commonwealth of Pennsylvania for failing to report a criminal arrest and conviction, failing to pay state income tax, misrepresenting on his producer license renewal application that he was tax compliant, failing to license a business entity, failing to register a business name and having his broker's license suspended, being fined and being order to pay restitution by FINRA for securities violations; and

IT FURTHER APPEARING that Respondent Suib failed to notify the commissioner within thirty (30) days of the initiation of these formal disciplinary

proceedings in Pennsylvania and within thirty (30) days of the final disposition of the matter, .in violation of N.J.S.A. 17:22A-40(18) and 17:22A-47a..

NOW, THEREFORE, IT IS on this 25<sup>TH</sup> day of February, 2015;

ORDERED, that Steven A. Suib appear and show cause why his non-resident New Jersey insurance producer license should not be suspended or revoked and/or why he should not be subject to civil penalty by the Commissioner pursuant to N.J.S.A. 17:22A-40; and

IT IS FURTHER ORDERED, that Steven A. Suib appear and show cause why the Commissioner should not assess a fine of up to \$5,000.00 for the first violation and \$10,000.00 for each subsequent violation, pursuant to the provisions of N.J.S.A. 17:22A-40, N.J.S.A. 17:22A-47a and N.J.S.A. 17:22A-45c; and

IT IS FURTHER ORDERED that Steven A. Suib appear and show cause why, in addition to any other penalty, he should not be required to reimburse the Department for the cost of the investigation and prosecution authorized pursuant to N.J.S.A. 17:22A-45c; and

IT IS PROVIDED, that Steven A. Suib has the right to request an administrative hearing, to be represented by counsel or other qualified representative at their own expense, to take testimony, to call or cross-examine witnesses, to have subpoenas issued and to present evidence or argument if a hearing is requested; and

IT IS FURTHER PROVIDED, that, unless a request for a hearing is received within twenty (20) days of the service of this Order to Show Cause, the right to a hearing in this matter shall be deemed to have been waived by the licensee, and the Commissioner shall dispose of this matter in accordance with law. A hearing may be

requested by mailing the request to Virgil Downtin, Chief of Investigations, Department of Banking and Insurance, P.O. Box 329, Trenton, New Jersey 08625, or by faxing the hearing request to the Department at (609) 292-5337. The request shall contain the following:

- (a) Respondent's full name, address and daytime telephone number;
- (b) A statement referring to each charge alleged in this Order to Show Cause and identifying any defense intended to be asserted in response to each charge. Where the defense relies on facts not contained in the Order to Show Cause, those specific facts must be stated;
- (c) A specific admission or denial of each fact alleged in this Order to Show Cause. Where the Respondent has no specific knowledge regarding a fact alleged in the Order to Show Cause, a statement to that effect must be contained in the hearing request. Allegations of this Order to Show Cause not answered in the manner set forth above shall be deemed to have been admitted; and
- (d) A statement requesting the hearing.

  
\_\_\_\_\_  
Peter L. Hartt  
Director of Insurance