

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)
Anka Bojic, Reference No. 9951347.)
_____)

FINAL ORDER

TO: Anka Bojic
11 Kent Avenue
Wayne, New Jersey 07470

This matter, having been opened by the Commissioner of Banking and Insurance (“Commissioner”), State of New Jersey, upon issuance of Order to Show Cause E22-04 (the “OTSC”) alleging that Anka Bojic (“Bojic”), may have violated various provisions of the insurance laws of the State of New Jersey; and

WHEREAS, Bojic is licensed as a resident insurance producer, pursuant to N.J.S.A. 17:22A-32, since August 27, 1999; and

WHEREAS, Bojic 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 regulations governing Insurance Producer Standards of Conduct, N.J.A.C. 11:17A-1.1 to 11:17D-2.8, the New Jersey Insurance Fraud Prevention Act, N.J.S.A. 17:33A-1 to -30 (“Fraud Act”) and the regulations promulgated thereunder, N.J.A.C. 11:16-1.1 to -7.10; and

WHEREAS, pursuant to N.J.S.A. 17:22A-40(d), 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 of 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-40(a)(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-40(a)(8), an insurance producer shall not use any fraudulent, coercive, or dishonest practices, or demonstrate incompetence or untrustworthiness in the conduct of insurance business; and

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

WHEREAS, pursuant to N.J.S.A. 17:22A-45(a), 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-40(a), the Commissioner may place on probation, suspend, revoke or refuse to issue or renew an insurance producer's license for violating the Producer Act; and

WHEREAS, pursuant to N.J.S.A. 17:22A-45(c), any person violating the Producer Act is subject to a penalty not exceeding \$5,000.00 for the first offense and not exceeding \$10,000.00 for each subsequent offense; additionally, the Commissioner may order restitution of moneys owed any person and reimbursement of costs of the investigation and prosecution; and

WHEREAS, pursuant to N.J.S.A. 17:33A-4(a)(1), it is a violation of the Fraud Act to present or cause to be presented any written or oral statement as part of, or in support of, a claim for payment or other benefit pursuant to an insurance policy knowing that the statement contains any false or misleading information concerning any fact or thing material to the claim; and

WHEREAS, pursuant to N.J.S.A. 17:33A-5(a) and (c), violations of the Fraud Act subject the violator to a civil and administrative penalty not to exceed \$5,000.00 for the first offense, not to exceed \$10,000.00 for the second offense and not to exceed \$15,000.00 for each subsequent offense; moreover, the Commissioner may issue a final order recovering costs of prosecution, including attorneys' fees, in accordance with N.J.A.C. 11:16-7.9(c); and

WHEREAS, pursuant to N.J.S.A. 17:33A-5.1, any person who is found in any legal proceeding to have committed insurance fraud shall be subject to a surcharge in the amount of \$1,000.00; and

WHEREAS, on January 24, 2022, the Commissioner issued the OTSC, alleging that Bojic violated various New Jersey insurance laws by as set forth in the following:

ALLEGATIONS COMMON TO ALL COUNTS

IT APPEARING, that on August 27, 1999, Respondent became a licensed insurance producer in the State of New Jersey; and

IT FURTHER APPEARING, that on January 8, 2009, Respondent submitted a claim to Chubb Insurance Company of New Jersey ("Chubb") for a platinum and diamond engagement ring, allegedly purchased by her husband in 1999, from Costco, valued at \$6,399.00, as well as a wedding band valued at \$2,538.00, and allegedly lost when flushed down the toilet by a family member; and

IT FURTHER APPEARING, that on January 8, 2009, Chubb paid Respondent \$8,937.00 for the claim; and

IT FURTHER APPEARING, that on July 18, 2011, Respondent submitted another claim to Chubb for a platinum and

diamond engagement ring, valued at \$17,000.00, which she allegedly lost in the ocean; and

IT FURTHER APPEARING, that on July 27, 2011, Chub paid Respondent \$5,000.00, minus a \$2,500.00 deductible, for the engagement ring; and

IT FURTHER APPEARING, that on February 16, 2016, Respondent submitted a claim to Homesite Home Insurance (“Homesite”) for a platinum and diamond engagement ring valued at \$17,000.00, allegedly lost while shopping the day before; and

IT FURTHER APPEARING, that Respondent was not paid for the Homesite claim, because, once her claim was denied for failure to provide proof of ownership and that the ring was replaced in 2011, she allegedly found the ring and withdrew the claim; and

IT FURTHER APPEARING, that Respondent’s husband did not purchase a Costco membership until 2003, and therefore could not have purchased the rings from Costco in 1999; and

IT FURTHER APPEARING, that Respondent never owned a platinum and diamond engagement ring valued at \$17,000.00; and

IT FURTHER APPEARING, that the jeweler from whom Respondent said she purchased her platinum and diamond engagement ring, valued at \$17,000.00, never sold her a diamond ring; and

IT FURTHER APPEARING, that Respondent had no appraisal, gemology certification, or other proof of ownership or value to submit with the 2011 or 2016 claims, because all paperwork was allegedly destroyed in a flood; and

IT FURTHER APPEARING, that the purported appraisal obtained from Six Star Jewelers in Wayne, New Jersey, on July 22, 2011, for a platinum and diamond engagement ring, and which she submitted to Chubb and Homesite as proof of ownership, was actually an estimate for a ring created seven (7) days after her ring was allegedly lost for the second time; and

IT FURTHER APPEARING, that Respondent had not actually lost a ring when she tendered the claim to Homesite on February 16, 2016; and

IT FURTHER APPEARING, that on January 8, 2018,

Respondent ended an interview with investigators of the Bureau of Fraud Deterrence, Department of Banking and Insurance of the State of New Jersey, and refused to participate further with the investigation; and

COUNT ONE
(Producer Act)

IT FURTHER APPEARING, that Respondent provided false information to an insurance company in relation to three claims for payment on a homeowners insurance policy, each claim constituting a separate offense under the Producer Act, in violation of N.J.S.A. 17:22A-40(a) (2), (8), and (16); and

COUNT TWO
(Producer Act)

IT FURTHER APPEARING, that Respondent ended and declined to participate further during an interview with Department investigators on January 8, 2018, in violation of N.J.S.A. 17:22A-40(a) (8); and

COUNT THREE
(Fraud Act)

IT FURTHER APPEARING, that Respondent presented oral and written statements in support of three claims, each claim constituting a separate offense under the Fraud Act, for payment pursuant to an insurance policy, knowing that the statements contained false or misleading information concerning material facts, in violation of N.J.S.A. 17:33A-4(a)(1); and

IT FURTHER APPEARING that Bojic was given notice of the aforesaid charges and an opportunity to contest the charges at a hearing pursuant to the OTSC; and

IT FURTHER APPEARING that as set forth in the Certification of Chandra M. Arkema, attached as Exhibit A, on January 26, 2022, the OTSC was sent by certified and regular mail to the last known residential address of Bojic at 11 Kent Avenue, Wayne, New Jersey 07470; and

IT FURTHER APPEARING that mailing of the OTSC by regular and certified mail to the residential address of Bojic, according to public information and files maintained by the

Department, and the regular mail was not returned and the certified mail was delivered, constitutes lawful service, pursuant to N.J.A.C. 11:17D-2.1(a)3;

IT FURTHER APPEARING that, although Bojic requested a hearing on April 4, 2022, her request was suppressed and the matter returned to the Department pursuant to an Order entered by the Administrative Law Judge on July 13, 2023, and therefore these charges are deemed admitted, pursuant to N.J.A.C. 11:17D-2.1(b)(1);

IT FURTHER APPEARING, that in Kimmelman v. Henkels & McCoy, Inc., 108 N.J. 123 (1987), the Supreme Court established seven factors to be considered in determining the imposition of civil fines in administrative proceedings (“Kimmelman Factors”); and

IT FURTHER APPEARING, that the seven Kimmelman Factors are as follows: (1) the good or bad faith of the defendant; (2) defendant’s ability to pay a civil fine; (3) the amount of profits obtained from the illegal activity; (4) the injury to the public; (5) the duration of the misconduct; (6) the existence of criminal or treble damages actions; and (7) the past violations of defendant; and

WHEREAS, the Commissioner has reviewed the Kimmelman Factors and finds that Respondent showed bad faith by submitting three false claims to an insurance company and then refusing to cooperate with the Department’s investigation into those claims. For her illegal activity, Respondent received payments of \$11,437, related to the false insurance claims, which she never repaid. Moreover, Respondent has not provided any evidence of her inability to pay a civil fine. ; (3) Respondent received payment of \$11,437.00 related to the false insurance claims;

NOW, THEREFORE, IT IS on this 22 day of August, 2023,

ORDERED, that the charges contained in the OTSC are deemed admitted by Bojic due to her failure to respond to the charges, pursuant to N.J.A.C. 11:17D-2.1(b)(1); and

IT IS FURTHER ORDERED, that pursuant to N.J.S.A. 17:22A-40, and N.J.A.C. 11:17D-2.1(b)(2), the insurance producer license of Bojic is **REVOKED** effective upon the execution of this Final Order; and

IT IS FURTHER ORDERED, that Bojic shall be responsible for the payment of \$37,500.00 in civil penalties for violations of the Producer Act, Fraud Act, and other insurance laws cited above as follows:

Bojic shall be responsible for the payment of civil penalties to the Division of Insurance Enforcement totaling \$15,000.00 for the Producer Act violations as described in Count 1 of the Order to Show Cause; and

Bojic shall be responsible for the payment of civil penalties to the Division of Insurance Enforcement totaling \$7,500.00 for the Producer Act violation as described in Count 2 of the Order to Show Cause; and

Bojic shall be responsible for the payment of civil penalties to the Bureau of Fraud Deterrence totaling \$15,000.00 for the Fraud Act violations as described in Count 3 of the Order to Show Cause; and

IT IS FURTHER ORDERED, that pursuant to N.J.S.A. 17:22A-45c and N.J.A.C. 11:1-32.4(b)20, Bojic shall reimburse the Department of Banking and Insurance, Division of Insurance Enforcement and Bureau of Fraud Deterrence, for the costs associated with the investigation and prosecution of this matter, as evidenced by the Certification of Costs by Investigator Drew Gowan (attached as Exhibit B), totaling \$1,177.50. The Commissioner has reviewed the investigative costs application and finds the amount of time to be reasonable; and

IT IS FURTHER ORDERED, that pursuant to N.J.S.A. 17:33A-5c, Bojic shall reimburse the Department of Banking and Insurance, Bureau of Fraud Deterrence, for the attorneys' fees

associated with the investigation and prosecution of this matter, as evidenced by the Certification of Chandra M. Arkema, totaling \$12,210.00. The Commissioner has reviewed the attorneys' fees application and finds the amount of time to be reasonable; and

IT IS FURTHER ORDERED, that pursuant to N.J.S.A. 17:33A-5.1, Bojic shall pay the Department of Banking and Insurance, Bureau of Fraud Deterrence, a statutory fraud surcharge in the amount of \$1,000.00; and

IT IS FURTHER ORDERED, that pursuant to N.J.S.A. 17:22A-45(c), Bojic shall pay \$11,437.00 in restitution to Chubb Insurance Company of New Jersey; and

IT IS FURTHER ORDERED, that Bojic shall pay the above fines and costs totaling \$51,887.50 by remitting full payment to the Commissioner of Banking and Insurance, State of New Jersey, 20 West State Street, P.O. Box 329, Trenton, New Jersey 08625, Attention: Virgil Downtin, Chief of Investigations by certified check, cashier's check or money order made payable to the "State of New Jersey, General Treasury," within ten (10) days from the date of service of this Order; and

IT IS FURTHER ORDERED, that in the event full payment of the fines and costs is not made, the Commissioner may exercise any and all remedies available by law, including but not limited to recovery of any unpaid penalties, in accordance with the Penalty Enforcement Law of 1999, N.J.S.A. 2A:58-10 to -12; and

IT IS FURTHER ORDERED, that the fines in this Final Order are 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 are not intended to constitute debts which may be limited or discharged in a bankruptcy proceeding; and

IT IS FURTHER ORDERED, that the provisions of this Final Order represent a final agency decision and constitute a final resolution of the allegations contained in the OTSC.

A handwritten signature in cursive script that reads "Justin Zimmerman".

Justin Zimmerman
Acting Commissioner