

ORDER NO. E15-117

IN THE MATTER OF:

Proceedings by the Commissioner of Banking)
and Insurance, State of New Jersey, to fine) CONSENT
Maxim Group LLC, Reference No. 1016959) ORDER

To: Maxim Group LLC
405 Lexington Avenue
New York, N.Y. 10174

This matter, having been opened by the Commissioner of Banking and Insurance (“Commissioner”), State of New Jersey, upon information that the Maxim Group LLC (“Respondent”), currently licensed as a nonresident business entity insurance producer pursuant to N.J.S.A. 17:22A-34, 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 et seq.; and

WHEREAS, pursuant to N.J.S.A. 17:22A-40a (1), an insurance producer shall not provide incorrect, misleading, incomplete or materially untrue information on their license application; and

WHEREAS, pursuant to N.J.S.A. 17:22A-40a (2), an insurance producer shall not violate any insurance laws, or violate any 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 (3), an insurance producer shall not obtain or attempt to obtain a license through misrepresentation 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;

WHEREAS, pursuant to N.J.S.A. 17:22A-40a (19), an insurance producer shall notify the Commissioner within 30 days of the final disposition of any formal disciplinary proceedings initiated against the insurance producer, or disciplinary action taken against the producer, by the Financial Industry Regulatory Authority (“FINRA”), any successor organization, or other similar non-governmental regulatory authority with statutory authority to create and enforce industry standards of conduct; and

WHEREAS, on or about March 24, 2010, Respondent entered into an Acceptance, Waiver, and Consent (“AWC”) with FINRA and failed to notify the Commissioner within 30 days of the disciplinary action taken against the producer by FINRA, in violation of N.J.S.A. 17:22A-40a (2), (8) and (19); and

WHEREAS, on or about May 31, 2010, Respondent’s New Jersey insurance producer’s license expired and remained inactive until on or about February 2012, but during said period, Respondent entered into an AWC on or about October 29, 2010, with FINRA, and also on or about July 28, 2011, Respondent entered into a Consent Order with the State of Illinois; and

WHEREAS, on or about February 14, 2012, Respondent reapplied for a New Jersey producer’s license and answered “NO” to the question, “Has the business entity or any owner, partner, officer or director, or manager or member of a limited liability company, ever been named or involved as a party in an administrative proceeding, including a FINRA sanction or arbitration proceeding regarding any professional or

occupational license, or registration?” and Respondent was issued a nonresident producer’s license with an expiration date of May 31, 2014, in violation of N.J.S.A. 17:22A-40a (1), (2), (3) and (8); and

WHEREAS, on or about June 7, 2013, Respondent entered into an AWC with FINRA and failed to notify the Commissioner within 30 days of the disciplinary action taken against the producer by FINRA, in violation of N.J.S.A. 17:22A-40a (2), (8) and (19); and

WHEREAS, on or about October 2, 2013, Respondent entered into an AWC with FINRA and failed to notify the Commissioner within 30 days of the disciplinary action taken against the producer by FINRA, in violation of N.J.S.A. 17:22A-40a (2), (8) and (19); and

WHEREAS, on or about May 9, 2014, Respondent applied to renew its New Jersey producer’s license and on the application, Respondent answered “NO” to the question “Has the business entity or any owner, partner, officer or director, or manager or member of a limited liability company, ever been named or involved as a party in an administrative proceeding, including a FINRA sanction or arbitration proceeding regarding any professional or occupational license, or registration?” and Respondent was issued a nonresident producer’s license with an expiration date of May 31, 2016, in violation of N.J.S.A. 17:22A-40a (1), (2), (3) and (8); and

WHEREAS, on or about August 4, 2014, Respondent entered into an AWC with FINRA and failed to notify the Commissioner within 30 days of the disciplinary action taken against the producer by FINRA, in violation of N.J.S.A. 17:22A-40a (2), (8) and (19); and

WHEREAS, on or about January 1, 2015, Respondent entered into an AWC with FINRA and failed to notify the Commissioner within 30 days of the disciplinary action taken against the producer by FINRA, in violation of N.J.S.A. 17:22A-40a (2), (8) and (19); and

WHEREAS, on or about February 6, 2015, Respondent entered into an AWC with FINRA and failed to notify the Commissioner within 30 days of the disciplinary action taken against the producer by FINRA, in violation of N.J.S.A. 17:22A-40a (2), (8) and (19); and

WHEREAS, Respondent:

- 1) Has admitted responsibility for the aforementioned violations; and
- 2) Has cooperated with the investigation conducted by the Department of Banking and Insurance (Department); 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 17th day of November, 2015

ORDERED AND AGREED, that Respondent pay a fine in the amount of \$5,000.00 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 a fine payment of \$5,000.00 due and payable immediately upon execution of this Consent Order by Respondent; and


IT IS FURTHER ORDERED AND AGREED, that the signed Consent Order together with the fine payment of \$5,000.00 shall be remitted to:

New Jersey Department of Banking and Insurance
ATTN: Virgil Downtin, Chief of Investigations
9th Floor – Enforcement Unit
P.O. Box 329
Trenton, New Jersey 08625

IT IS FURTHER ORDERED AND AGREED, that in the event full payment of the fine 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 amounts in summary proceedings, in accordance with the penalty enforcement law N.J.S.A. 2A:58-10 et seq.; and

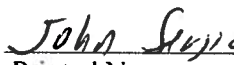
IT IS FURTHER ORDERED AND AGREED, that the provisions of this Consent Order represent a final agency decision and constitute a final resolution of the violations contained herein; and

IT IS FURTHER ORDERED AND AGREED, that Respondent shall cease and desist from engaging in the conduct that gave rise to this Consent Order and hereafter, shall comply in all respects with the New Jersey insurance laws and regulations.

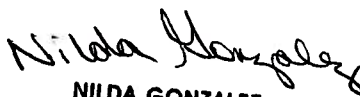

Peter L. Hart
Director of Insurance

Consented to as to Form,
Entry and Content

By:  John Sergio COO
Maxim Group LLC


Printed Name

Date: 11/4/15


NILDA GONZALEZ
NOTARY PUBLIC-STATE OF NEW YORK
No. 01GO6039399
Qualified in New York County
My Commission Expires July 24, 2018