

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 and suspend)
or revoke the insurance)
producer license of Solomon)
Weinstein, Reference No.)
8205388, and American Agency)
Insurance Services Inc.,)
Reference No. 9473028.)

CONSENT ORDER

TO: American Agency Services Inc. Solomon Weinstein
c/o Solomon Weinstein 2643 Haddonfield Road
2643 Haddonfield Road Pennsauken, NJ 08110
Pennsauken, NJ 08110

This matter, having been opened by Kenneth E. Kobylowski, Commissioner, Department of Banking and Insurance, State of New Jersey ("Commissioner"), upon information that Solomon Weinstein and American Agency Services Inc. ("American" and, collectively with Weinstein, "Respondents") may have violated various provisions of the insurance laws of the State of New Jersey; and

WHEREAS, Respondents are currently licensed as resident individual insurance producers, pursuant to N.J.S.A. 17:22A-32; and

WHEREAS, Respondents are subject to the provisions of the New Jersey Insurance Producer Licensing Act, N.J.S.A. 17:22A-26 et seq. ("Producer Act") and the New Jersey Insurance

Fraud Prevention Act, N.J.S.A. 17:33A-1 et seq. ("Fraud Act");
and

WHEREAS, pursuant to N.J.S.A. 17:22A-40a(2), an insurance producer shall not violate any insurance law or regulation; and

WHEREAS, pursuant to N.J.S.A. 17:22A-40a(7), an insurance produce shall not admit to or be found to have committed 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; and

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

WHEREAS, pursuant to N.J.S.A. 17:33A-4a(1), a person violates the Fraud Act if they present or cause to be presented any written or oral statement as part of, or in support of or opposition to, 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-4a(3), a person violates the Fraud Act if they conceal or knowingly fail to

disclose the occurrence of an event which affects any person's initial or continued right or entitlement to any insurance benefit or payment or the amount of any benefit or payment to which the person is entitled; and

WHEREAS, on January 20, 2015, the Commissioner issued Order to Show Cause No. E15-11 ("OTSC"); and

WHEREAS, the OTSC alleged Respondents had committed two violations of the Producer Licensing Act and two violations of the Fraud Act; and

IT FURTHER APPEARING that Respondent Weinstein admits and agrees to take responsibility for the violations of the Producer Licensing Act and Fraud Act described below; and

IT FURTHER APPEARING that, pursuant to N.J.S.A. 17:22A-40a, N.J.S.A. 17:22A-45c, and N.J.S.A. 17:33A-5c and -5d cause does exist for the imposition of an administrative penalty upon Respondent Weinstein for these violations; and

IT FURTHER APPEARING that, pursuant to N.J.S.A. 17:22A-40, cause does exist to revoke Respondent Weinstein's New Jersey insurance producer license; and

IT FURTHER APPEARING that Respondent Weinstein has waived the right to a hearing on the above violations and consents to the revocation of his insurance producer license and the payment of a \$20,000.00 administrative penalty to the Commissioner; and

IT FURTHER APPEARING that this matter should be resolved upon the consent of both parties without resorting to a formal hearing and for good cause appearing; and

NOW, THEREFORE, IT IS on this 30th day of July, 2015:

ORDERED AND AGREED that, at all times relevant hereto, Respondent Weinstein owned a 2001 Toyota Camry ("Camry"); and

IT IS FURTHER ORDERED AND AGREED on November 11, 2011, Respondent Weinstein, through Respondent American, submitted a New Jersey Personal Auto Application ("Application") to Travelers Auto Insurance Company of New Jersey ("Travelers") to insure the Camry; and

IT IS FURTHER ORDERED AND AGREED that, on the Application, Respondent Weinstein stated the Camry was garaged in New Jersey; and

IT IS FURTHER ORDERED AND AGREED that, on the Application, when asked for "RESIDENT & DRIVER INFORMATION... List all residents & dependents (licensed or not) and regular operators," Respondents listed only Respondent Weinstein; and

IT IS FURTHER ORDERED AND AGREED that, on or about September 2012, a dependent driver took the Camry to college in Rhode Island; and

IT IS FURTHER ORDERED AND AGREED that Respondent Weinstein did not disclose this dependent driver to any

insurance carrier or add her to any automobile insurance policy until November 2013; and

IT IS FURTHER ORDERED AND AGREED that Respondent Weinstein did not disclose that the dependent driver operated the Camry to any insurance carrier until November 2013; and

IT IS FURTHER ORDERED AND AGREED that on October 9, 2012, Respondent Weinstein completed a telephonic survey ("Travelers' Survey") regarding his Travelers' policy; and

IT IS FURTHER ORDERED AND AGREED that during the Travelers' Survey, Respondent Weinstein failed to disclose that the dependent driver was in possession and the primary operator of the Camry; and

IT IS FURTHER ORDERED AND AGREED that Respondent Weinstein admits that the above-referenced conduct constitutes violations of the Producer Licensing Act and the Fraud Act; and

IT IS FURTHER ORDERED AND AGREED that Respondent Weinstein's New Jersey insurance producer license is hereby REVOKED; and

IT IS FURTHER ORDERED AND AGREED that Respondent Weinstein shall pay to the Commissioner \$20,000.00, consisting of \$9,000.00 in penalties for violations of the Fraud Act, pursuant to N.J.S.A. 17:33A-5c, \$450.00 for the mandatory insurance surcharge, pursuant to N.J.S.A. 17:33A-5.1, \$550.00 in attorneys' fees and costs, pursuant to N.J.S.A. 17:33A-5c, and

\$10,000.00 in penalties for violations of the Producer Act, pursuant to N.J.S.A. 17:22A-45c, due **immediately** upon execution of this Consent Order by Respondent Weinstein. Payment shall be made by certified check, bank check, or money order payable to the "State of New Jersey, General Treasury," and shall be sent to:

Gordon A. Queenan, Deputy Attorney General
Banking and Insurance Section
R.J. Hughes Justice Complex
25 Market Street
P.O. Box 117
Trenton, NJ 08625-0117

IT IS FURTHER ORDERED AND AGREED that any future violation of the Producer Act or Fraud Act by Respondent Weinstein shall be deemed to be a subsequent violation; and

IT IS FURTHER ORDERED AND AGREED that the allegations against American contained in OTSC E15-11 are hereby dismissed; and

IT IS FURTHER ORDERED AND AGREED that American will cease conducting any new insurance business upon execution of this Consent Order by Respondent Weinstein until such time as an active responsible licensed producer is designated; and

IT IS FURTHER ORDERED AND AGREED that, pursuant to N.J.A.C. 11:17B-2.1(c), no commission or renewal, deferred or otherwise, or any compensation shall be paid to any individual or organization whose license has been revoked, except for

services rendered while licensed. However, Respondent Weinstein is not prohibited from selling his book of business for compensation contingent upon the persistency of his business, in accordance with N.J.A.C. 11:17B-2.1(c); and

IT IS FURTHER ORDERED AND AGREED that, pursuant to N.J.A.C. 11:17B-2.1(c), no commission or renewal, deferred or otherwise, or any compensation shall be paid to any individual or organization whose license has been revoked except for services rendered while licensed, including any commissions due as result of the sale of respondent's book of business; and


IT IS FURTHER ORDERED AND AGREED that the provisions of this Consent Order represent a final agency decision that fully resolves OTSC E15-11.



Peter L. Hartt
Acting Commissioner

Consented to as to Form, Content, and Entry:

By:

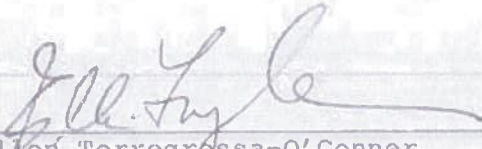


Solomon Weinstein
Respondent

Dated:

~~7/17/2015~~
7-17-2015

By:



Ellen Torregrossa-O'Conner
Attorney for Respondent

Dated:

7/23/15

JOHN J. HOFFMAN
ACTING ATTORNEY GENERAL OF NEW JERSEY

By:


Gordon A. Queenan
Deputy Attorney General
Attorney for the Department of
Banking and Insurance

Dated:

7/29/15