

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
Floyd C. Reynolds, Reference No. 8034768) ORDER

To: Floyd C. Reynolds
240 Eayrestown Red Lion Rd.
Vincentown, NJ 08088

This matter, having been opened by the Commissioner of Banking and Insurance (“Commissioner”), State of New Jersey, upon information that Floyd C. Reynolds (“Respondent”), currently licensed as a resident insurance producer, pursuant to N.J.S.A. 17:22A-32, may have violated the insurance laws of the State of New Jersey; and

WHEREAS, the 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(2), no insurance producer shall 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(5), no insurance producer shall 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), no insurance producer shall 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.S.A. 17:22A-40a(16), an insurance producer shall not commit any fraudulent act; and

WHEREAS, pursuant to N.J.S.A. 17:22A-40a(17), an insurance producer shall not knowingly facilitate or assist another person in violating any insurance laws; and

WHEREAS, pursuant to N.J.A.C. 11:17A-2.3(b), no insurance producer shall offer, pay or give, or permit to be offered, paid or given, to any person, directly or indirectly, any rebate of premiums payable on a contract of insurance, other than that plainly expressed in the contract or provided for in ratings systems filed by or on behalf of the insurer writing the contract and approved by the Commissioner; and

WHEREAS, on or about August 30, 2012 through November 1, 2012, the Respondent made premium payments for automobile policies for J.F. and H.P. without their knowledge or consent, reduced instead of cancelling the coverage of J.F., J.K. and H.P. without their knowledge or consent after they requested cancellation, and misrepresented the residence addresses of J.F., J.K. and H.P. by changing them to his agency's address without their knowledge or consent, in violation of N.J.S.A. 17:22A-40a (2), (5), (8), (16) and (17) and N.J.A.C. 11:17A-2.3(b); and

WHEREAS, the Respondent:

- 1) Has admitted responsibility for the aforementioned violations; and
- 2) Has cooperated with the investigation conducted by the New Jersey Department of Banking and Insurance ("Department"); 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, Respondent has waived his right to a hearing on the aforementioned violations and consented to the payment of a fine in the amount of \$7,500.00; 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 *2nd* day of *June*, 2017

ORDERED AND AGREED, that the Respondent pay a fine in the amount of \$7,500.00 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", which shall be paid upon execution of this Consent Order by Respondent; and

IT IS FURTHER ORDERED AND AGREED that the signed Consent Order, together with fine payment of \$7,500.00, 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

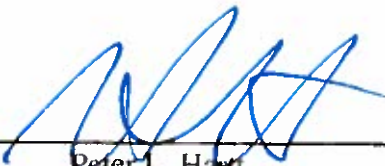
and

IT IS FURTHER ORDERED AND AGREED, that in the event full payment of the fine 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 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 the Respondent shall cease and desist engaging in the conduct that gave rise to this Consent Order.



Peter L. Hart
Director of Insurance

Consented to as to
Form, Entry, and Content

By: 

Floyd C. Reynolds

Date: 5/31/2017