



WHEREAS, pursuant to 18 U.S.C. 1033(e)2, an individual who has been convicted of any criminal felony involving dishonesty or breach of trust may engage in the business of insurance or participate in such business only if the person has the written consent of the insurance regulatory official authorized to regulate the insurer; this requirement pertains to any person who acts as an agent of the insurer; and

WHEREAS, pursuant to N.J.A.C. 11:17E-1.3(b), no insurer, producer, or any other person or independent contractor involved in the business of insurance in this State shall employ any prohibited person in any capacity without having first ensured that said prohibited person has obtained a waiver in accordance with 18 U.S.C. § 1033(e)2 and N.J.A.C. 11:17E-1.1 et seq.; and

WHEREAS, pursuant to N.J.A.C. 11:17E-1.2, a “prohibited person” is any person convicted of a felony involving dishonesty or breach of trust who is prohibited from being employed by an insurer in the business of insurance pursuant to 18 U.S.C. 1033; and

WHEREAS, pursuant to N.J.A.C. 11:17E-1.2, a “felony” includes, among other things, any crime identified as an offense of the first, second, third or fourth degree pursuant to N.J.S.A. 2C:1-4 and 43-1 and any crime identified as high misdemeanor or misdemeanor by Title 2A of the New Jersey Statutes for which the maximum authorized punishment exceeds one year incarceration; and

WHEREAS, pursuant to N.J.A.C. 11:17E-1.2, “breach of trust” means any criminal act that includes, in any degree, an element of, among other things, theft, misuse, conversion, misapplication, embezzlement, or misappropriation of property of another; and

WHEREAS, pursuant to N.J.A.C. 11:17E-1.2, “dishonesty” means any act, omission or commission, which involves or in any way constitutes the offense of, among other things, theft, larceny, robbery or wrongful appropriation; and

WHEREAS, pursuant to N.J.S.A. 17:22A-40a(2), a producer shall not violate any insurance law, regulation, subpoena or order of the Commissioner or of another state’s insurance regulator; and

WHEREAS, on April 28, 2006 Matthew DePaola was convicted of fraudulent use of a credit card in violation of N.J.S.A. 2C:21-6h and conspiracy to possess a controlled dangerous substance in violation of N.J.S.A. 2C:5-2; and

WHEREAS, fraudulent use of a credit card in violation of N.J.S.A. 2C:21-6h is a crime of the third degree involving dishonesty or breach of trust; and

WHEREAS, Respondents have employed Matthew DePaola as a Customer Service Representative since May 2007 even though Matthew DePaola has not obtained the written consent of the Commissioner in accordance with 18 U.S.C. 1033(e)2; and

WHEREAS, the Respondents:

- 1) Have admitted responsibility for the aforementioned violation;
- 2) Have cooperated with the investigation conducted by the Department of Banking and Insurance (“Department”); and
- 3) Have asserted that the violation cited in this Consent Order was not knowing, intentional or willful; and

WHEREAS, cause exists under N.J.S.A. 17:22A-40a and N.J.S.A. 17:22A-45c to impose a fine; and

WHEREAS, Respondents have waived their right to a hearing on the  
aforementioned violation and consented to payment of a fine in the amount of \$5,000.00;  
and

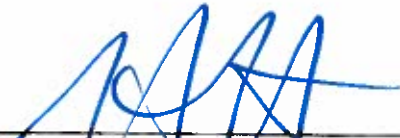
NOW, THEREFORE, IT IS on the 10<sup>th</sup> day of September

ORDERED AND AGREED that the Respondents shall pay a fine in the amount  
of \$5,000.00 to the Department 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 the Respondents; and

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

New Jersey Department of Banking and Insurance  
Attention: Virgil Downtin, Chief of Investigations  
9<sup>th</sup> Floor, Consumer Protection Services  
P. O. Box 329  
Trenton, New Jersey 08625-329

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.

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

Consented to as to Form,  
Entry and Content:

DePaola Agency, LLC

By: John M DePaola  
Name and Title

John M. DePaola, Individually

Mary-Ellen D Fine  
MARY-ELLEN D FINE  
NOTARY PUBLIC OF NEW JERSEY  
MY COMMISSION EXPIRES FEB. 1, 2022

Date: 8/30/17