

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 producer )  
licenses of Ralph A. Valente, Reference No. )  
9022038; and Corporate Benefit Solutions, )  
LLC, Reference No. 1187375 )  
\_\_\_\_\_ )

**CONSENT ORDER**

THIS MATTER, having been opened by the Commissioner of Banking and Insurance (“Commissioner”), State of New Jersey, upon information that Ralph A. Valente (“Valente”), and Corporate Benefit Solutions, LLC (“CBS”) (collectively, “Respondents”), may have violated various provisions of the insurance laws of the State of New Jersey; and

WHEREAS, Valente is currently licensed as a resident insurance producer, pursuant to N.J.S.A. 17:22A-32(a); and

WHEREAS, CBS is currently licensed as a resident business entity insurance producer, pursuant to N.J.S.A. 17:22A-32(b); and

WHEREAS, Valente is the owner and the designated responsible licensed producer (“DRLP”) for CBS and responsible for the activities of CBS and CBS’s compliance with the insurance law, rules and regulations of this State, pursuant to N.J.S.A. 17:22A-32(b)(2); and

WHEREAS, Respondents are 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 Trade Practices

Act. N.J.S.A. 17B:30-1 to -57 ("Trade Practices Act"), and the regulations governing Insurance Producer Standards of Conduct, N.J.A.C. 11:17A-1.1 to 11:17D-2.8; 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)(7), an insurance producer shall not be found to have committed any insurance unfair trade practice or fraud; and

WHEREAS, pursuant to N.J.S.A. 17B:30-2, no person shall engage in this State in any trade practice which is defined in or determined pursuant to the Trade Practices Act to be an unfair method of competition, or an unfair or deceptive act or practice in the business of life insurance, health insurance or annuity; and

WHEREAS, pursuant to N.J.S.A. 17B:30-13, no person shall knowingly make, permit to be made or offer to make any contract of life insurance, annuity or health insurance, or agreement as to such contract other than as plainly expressed in the contract issued thereon, or pay or allow, or give or offer to pay, allow, or give, directly or indirectly, as an inducement to such insurance, or annuity, any rebate of premiums payable on the contract or of any agent's, solicitor's or broker's commission relating thereto, or any special favor or advantage in the dividends or other benefits thereon, or any valuable consideration or inducement whatsoever not specified in the contract; or give, or sell, or purchase or offer to give, sell, or purchase as an inducement to such insurance or annuity or in connection therewith, any stocks, bonds, or other securities of any insurance company or other corporation, association, or partnership, or any dividends or profits accrued thereon, or anything of value whatsoever not specified in the contract; and

WHEREAS, pursuant to N.J.A.C. 11:17A-1.6(c), licensed partners, officers and directors, and all owners with an ownership interest of 10 percent or more in the organization shall be held responsible for all insurance related conduct of the organization licensee, any of its branch offices, its other licensed officers or partners, and its employees; and

WHEREAS, pursuant to N.J.A.C. 11:1-12.2(a), active officers shall be held individually responsible for all insurance related conduct of the corporate licensee; 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, and may levy a civil penalty, for a violation of 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; moreover, the Commissioner may order restitution of moneys owed any person and reimbursement of costs of the investigation and prosecution; and

WHEREAS, on August 25, 2019, the Commissioner issued Order to Show Cause No. E19-84 ("OTSC") alleging violations of the Producer Act by Respondents as set forth in the following count:

**COUNT ONE**

IT APPEARING, that at all relevant times, CBS was responsible for managing health benefits enrollments with Horizon Healthcare Services, Inc., doing business as Horizon Blue Cross Blue Shield of New Jersey ("Horizon") for employees of the Township of Harding, Metra Industries, and Miele, Inc.; and

IT FURTHER APPEARING, that on or about December 19, 2013, Valente paid Township of Harding employee "MF" \$100.00 by way of check No. 612 from CBS bank account ending in 0239; and

**IT FURTHER APPEARING, that Valente paid MF the \$100.00 as compensation for a copay dispute between MF and Horizon; and**

**IT FURTHER APPEARING, that on or about November 24, 2014, Valente paid Metra Industries employee "SD" \$420.00 by way of check No. 796 from CBS bank account ending in 0239; and**

**IT FURTHER APPEARING, that Valente paid SD the \$420.00 as compensation for a deductible dispute between SD and Horizon; and**

**IT FURTHER APPEARING, that on or about April 23, 2015, Valente paid Miele Inc. employee "VM" \$40.15 by way of check No. 1075 from CBS bank account ending in 0239; and**

**IT FURTHER APPEARING, that Valente paid VM the \$40.15 as compensation for a claim dispute between VM and Horizon; and**

**IT FURTHER APPEARING, that the payments provided by Valente to the insureds as valuable consideration or inducements not specified in the Horizon contracts, in violation of N.J.S.A. 17:22A-40(a)(2) and (7), N.J.S.A. 17B:30-2, and N.J.S.A. 17B:30-13; and**

**WHEREAS, Respondents were given notice of the aforesaid allegations and opportunity to be heard; and**

**WHEREAS, this Consent Order encompasses and resolves the violations stated in the OTSC; and**

**WHEREAS, Respondents admit and agree to take responsibility for the violations contained in the OTSC; and**

**WHEREAS, Respondents have waived their rights to a hearing on the above violations and consented to the payment of a fine of thirty thousand dollars (\$30,000.00); and**

**WHEREAS, this matter should be resolved upon the consent of the parties without resort to a formal hearing; and**

WHEREAS, good cause exists to enter into the Consent Order and impose a civil penalty under N.J.S.A. 17:22A-40(a) and N.J.S.A. 17:22A-45(c); and

NOW THEREFORE IT IS ON this *5th* day of *August* 2020

ORDERED AND AGREED, that Respondents admit and agree to take responsibility for the aforementioned violations; and

IT IS FURTHER ORDERED AND AGREED, that Respondents shall pay a civil penalty of \$30,000.00 as described below; and

IT IS FURTHER ORDERED AND AGREED, that immediately upon execution of this Consent Order by Respondents, Respondents shall remit to the attorney for the Commissioner a payment in the amount of \$30,000.00 by certified check, official bank check, or money order made payable to the "State of New Jersey, General Treasury" and shall be remitted to: -

Telge N. Peiris, DAG  
State of NJ, Division of Law  
R.J. Hughes Justice Complex  
25 Market Street  
P.O. Box 117  
Trenton, New Jersey 08625-0117

and

IT IS FURTHER ORDERED AND AGREED, that Respondents shall cease and desist from engaging in the conduct that gave rise to the Order to Show Cause and this Consent Order.



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Marlene Caride  
Commissioner

**Consented to as to Form, Content and Entry:**

GURBIR S. GREWAL  
ATTORNEY GENERAL OF NEW JERSEY  
Attorney for the New Jersey  
Department of Banking and Insurance

Date: June 23, 2020

/s/ Telge N. Peiris  
By: Telge N. Peiris  
Deputy Attorney General

Date: June 10, 2020

Jordan Goldsmith  
Jordan S. Goldsmith, Esq.  
COHN LIFLAND PEARLMAN  
HERRMANN & KNOPF LLP  
Attorney for Respondents

Date: 6/8/2020

[Signature]  
Ralph Valente, individually

Date: 6/8/2020

[Signature]  
Ralph Valente, Owner of Corporate Benefit  
Solutions, LLC.