

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  
Carlo J. Ferrara, Reference No. 1134203 ) ORDER

To: Carlo J. Ferrara  
4011 Ravens Crest Dr.  
Plainsboro, NJ 08536-2420

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

WHEREAS, pursuant to N.J.S.A. 17:22A-40a(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-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; and

WHEREAS, pursuant to N.J.S.A. 17:22A-42(a), any insurer authorized to transact business in this State may, by written contract, appoint as its agent, a person that holds a valid insurance producer license issued in accordance with the provisions of the Producer Act; the contract shall authorize the insurance producer to act as an agent for the appointing insurer for all lines of insurance for which the insurer is authorized in this State and the agent holds authority in this State, unless specifically limited; the contract shall contain the duties, responsibilities and limitations of authority between the agent and the appointing insurer, and the agent shall abide by its terms; and

WHEREAS, pursuant to N.J.A.C. 11:2-17.6(a), all claims must be reported to the designated insurer by a broker no later than three working days following receipt of notification of claim by the broker; and

WHEREAS, on or about February 9, 2017, the Respondent was advised by RK of his claim of damage to his vehicle but Respondent failed to report the incident to Progressive Insurance Company pursuant to his agency agreement and in violation of N.J.S.A. 17:22A-40(2) and (8), N.J.S.A. 17:22A-42(a) and N.J.A.C. 11:2-17.6(a); and

WHEREAS, the Respondent:

- 1) Has admitted responsibility for the aforementioned violation; and
- 2) Has cooperated with the investigation conducted by the New Jersey Department of Banking and Insurance (“Department”); and
- 3) Has asserted that the violation cited in this Consent Order was not willful; 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, the Respondent has waived his right to a hearing on the  
aforementioned violation and consented to the payment of a fine in the amount of  
\$1,000.00; 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 30<sup>th</sup> day of October, 2017

ORDERED AND AGREED, that the Respondent pay a fine in the amount of  
\$1,000.00 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", 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 the fine payment of \$1,000.00, shall be remitted to:

New Jersey Department of Banking and Insurance  
Attention: Virgil Downtin - Chief of Investigations  
9<sup>th</sup> Floor, Consumer Protection Services, Enforcement  
P. O. Box 329  
Trenton, New Jersey 08625-0329

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.

  
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Peter L. Hart  
Director of Insurance

Consented to as to Form,  
Entry and Content

By:   
\_\_\_\_\_  
Carlo J. Ferrara

10/23/2017  
\_\_\_\_\_  
Date