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SUPERIOR COURT OF NEW JERSEY
SPECIAL CIVIL PART - MIDDLESEX
COUNTY
DOCKET NO. MID-DC-010026-23

JUSTIN ZIMMERMAN,)
ACTING COMMISSIONER OF THE)
NEW JERSEY DEPARTMENT OF)
BANKING AND INSURANCE,)
Plaintiff,)
v.)
FAVIOLA V. HERRERA,)
Defendant.)

Civil Action

STIPULATION OF SETTLEMENT

WHEREAS Plaintiff, Justin Zimmerman, Acting Commissioner of the New Jersey Department of Banking and Insurance ("Plaintiff" or "Commissioner"), and Defendant, Faviola Herrera ("Defendant") (collectively, "Parties"), have reached an amicable agreement resolving the issues in controversy, and consented to the entry of the within Stipulation of Settlement ("Settlement").

WHEREAS the Parties have determined and hereby agree that settlement is in each of their best interests, and for good cause shown.

NOW THEREFORE, the Parties agree fully and finally to settle this matter pursuant to the terms and conditions below.

1. Defendant admits that she violated the New Jersey Insurance Fraud Prevention Act, N.J.S.A. 17:33A-1 to -30 ("Fraud Act"), specifically by misrepresenting in applications for automobile insurance, as well as in the claim for damages to the policy vehicle, that Faviola Herrera resided and garaged the policy vehicle in New Jersey, and was the only household-resident driver of the policy vehicle, when in fact, Defendant resided and garaged the policy vehicle in New York and Defendant's boyfriend was also a regular driver of the vehicle, in violation of N.J.S.A. 17:33A-4(a)(1), -4(a)(3), -4(a)(4)(a), and -4(a)(4)(b).

2. Defendant's aforementioned conduct constitutes two (2) violations of the Fraud Act, and any future violations of the Fraud Act shall be considered subsequent violations pursuant to N.J.S.A. 17:33A-5(c).

3. Defendant agrees that she shall not engage in any future violations of the Fraud Act.

4. Defendant shall pay a total judgment of \$3,125 to the Commissioner ("Settlement Amount"). This Settlement Amount

consists of \$2,500 in civil penalties, pursuant to N.J.S.A. 17:33A-5(b); \$500 in attorneys' fees, pursuant to N.J.S.A. 17:33A-5(b); and a \$125 statutory surcharge, pursuant to N.J.S.A. 17:33A-5.1.

5. Defendant shall satisfy the judgment in favor of the Commissioner upon the following terms and conditions:

a. Immediately upon execution of this Stipulation of Settlement by Defendant, Defendant shall remit to the attorney for the Commissioner a payment in the amount of \$300 **by certified check, official bank check, or money order made payable to the "Commissioner, New Jersey Department of Banking and Insurance"** and sent to:

Reciton Pahumi
Deputy Attorney General
Banking and Insurance Section
R.J. Hughes Justice Complex
25 Market Street
P.O. Box 117
Trenton, New Jersey 08625

b. Beginning December 1, 2023, and continuing through July 1, 2025, Defendant shall remit the remaining balance of \$2,825 in nineteen (19) monthly installments of \$140 each and one (1) final payment of \$165; and

c. The payments outlined in Paragraph 5(b) shall be made **by certified check, official bank check, or money order made payable to the "Commissioner, New Jersey Department of Banking and Insurance"** and sent to:

Collections Department
New Jersey Department of Banking and Insurance
20 West State Street, 10th Floor
P.O. Box 325
Trenton, New Jersey 08625

6. No representation, inducement, promise, understanding, condition, or warranty not set forth in this Settlement has been made to or relied upon by Defendant in agreeing to this Settlement. Defendant represents that this Settlement is freely and voluntarily entered into without any degree of duress or compulsion.

7. In conjunction with the execution of this Stipulation of Settlement, the parties shall also enter into an Order of Entry of Judgment by Consent for the entire Settlement Amount, which will be docketed with the Superior Court of New Jersey as a statewide lien. A warrant of satisfaction shall be issued when the Settlement Amount is paid in full.

8. In the event of the failure by Defendant to pay any Settlement Amount installment payment when due, the entire Settlement Amount shall be immediately due and payable, upon written notice by the Commissioner. Such notice shall be given to the person and address designated in the Paragraph 12 by: (a) delivery in person; (b) a nationally recognized next-day courier service; or (c) first class regular or certified mail. Notice so given shall be effective upon: (a) receipt; or (b) on the fifth

(5th) day following mailing, whichever occurs first. Defendant shall have an opportunity to pay the unpaid balance within fifteen (15) calendar days from the date of notice. If Defendant fails to pay the overdue unpaid balance of the payment obligations under this Settlement within fifteen (15) calendar days from the date of notice of non-payment, then the Commissioner may take any action available under the law of this State to collect the amount outstanding at that time, including post-judgment interest from the date of the judgment, attorneys' fees expended to date and to collect this debt, and any other remedies available under the law.

9. The Parties agree that each Party shall bear its own legal and other costs incurred in connection with this matter, and no additional attorneys' fees or costs shall be due, except Defendant agrees to pay Plaintiff's attorneys' fees pursuant to N.J.S.A. 17:33A-5(b) as described above in paragraph 4, and all reasonable costs of collection and enforcement of this Settlement, including attorneys' fees and expenses.

10. For purposes of construction, this Settlement shall be deemed drafted by all Parties to this Settlement and therefore shall not be construed against any Party for that reason in any subsequent dispute.

11. The undersigned counsel and any other signatories represent and warrant that they are fully authorized to execute this Settlement on behalf of the persons indicated below.

12. All communications from any party concerning the subject matter of this Settlement shall be addressed as follows:

If to the Commissioner: Reciton Pahumi
Deputy Attorney General
Banking and Insurance Section
R.J. Hughes Justice Complex
25 Market Street
P.O. Box 117
Trenton, New Jersey 08625

If to Defendants: Faviola V. Herrera
1094 E 37th Street
Brooklyn, New York 11210

13. This Settlement may be executed in counterparts, each of which constitutes an original and all of which constitutes one and the same agreement.

14. Pursuant to N.J.S.A. 17:33A-10(c), a copy of this Stipulation of Settlement shall be provided to any appropriate licensing authority.

15. This Stipulation of Settlement may be used in any subsequent civil or criminal proceedings.


16. The penalties of this Settlement are imposed pursuant to the police powers of the State of New Jersey for the enforcement of the law and protection of the public health, safety,

and welfare, and are not intended to constitute debts which may be limited or discharged in a bankruptcy proceeding.


CONSENTED AS TO FORM, CONTENT, AND ENTRY:

MATTHEW J. PLATKIN
ATTORNEY GENERAL OF NEW JERSEY
Attorney for Plaintiff

Dated: 12/05/2023

By: 
Reciton Pahumi
Deputy Attorney General

Dated: 12/1/2023

By: 
Faviola V. Herrera
Defendant