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SUPERIOR COURT OF NEW JERSEY
LAW DIVISION - ATLANTIC COUNTY
DOCKET NO. ATL-L-1807-23

JUSTIN ZIMMERMAN,)	
COMMISSIONER OF THE)	<u>Civil Action</u>
NEW JERSEY DEPARTMENT OF)	
BANKING AND INSURANCE,)	STIPULATION OF SETTLEMENT
)	
Plaintiff,)	
)	
v.)	
)	
DAVID S. PENA,)	
)	
Defendant.)	
)	

WHEREAS Plaintiff, Justin Zimmerman, Commissioner of the New Jersey Department of Banking and Insurance ("Plaintiff" or "Commissioner"), and Defendant, David S. Pena ("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. During the course of an application for disability insurance, Defendant, David S. Pena, authorized the release of all records documenting his relevant medical history, and Defendant represents that due to a medical condition which impaired his judgment, Defendant provided incomplete and inaccurate responses during a telephone interview as part of the application on April 16, 2020. Defendant further represents that he made those representations in good faith and did not intend to violate the New Jersey Insurance Fraud Prevention Act, N.J.S.A. 17:33A-1 to -30 (the "Act").

2. Although Defendant represents that he made those statements in good faith, in light of Citizens United Reciprocal Exch. v. Meer, 321 F. Supp. 3d 479, 493 (D.N.J. 2018), Defendant now realizes that there was a violation of the Act. For this reason, notwithstanding Defendant's representation of good faith, it is stipulated that any future violations of the Act shall be considered second and subsequent violations pursuant to N.J.S.A. 17:33A-5(b).

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

4. Defendant shall pay a total judgment of \$9,575 to the Commissioner ("Settlement Amount"). This Settlement Amount consists of \$1,500 in civil penalties, pursuant to N.J.S.A. 17:33A-5(b); \$8,000 in attorneys' fees, pursuant to N.J.S.A. 17:33A-5(b); and a \$75 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 \$9,575.00 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

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. 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.

8. 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.

9. 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.

10. 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 Defendant: John E. Shields, Jr., Esq.
Law Office of John E. Shields, Jr.
21 Academy Street, Fl. 2
Wallingford, Connecticut 06492

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

12. 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.


13. 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.

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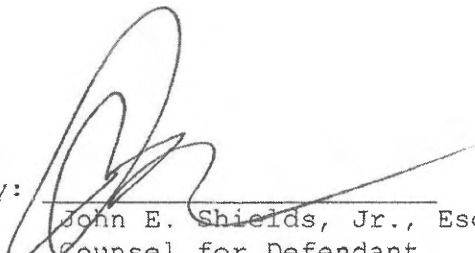
CONSENTED AS TO FORM, CONTENT, AND ENTRY:

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


Dated: 07/22/2025

By: 
Reciton Pahumi
Deputy Attorney General

Dated: 7/8/25

By: 
John E. Shields, Jr., Esq.
Counsel for Defendant

Dated: 7/1/25

By: 
David S. Pena
Defendant