

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 license of Glen Cardace, Reference
No. 0234705.

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FINAL ORDER

TO: Glen Cardace
45 S. Sailors Quay Drive
Brick, NJ 08534-4135

This matter, having been opened by the Commissioner of Banking and Insurance, State of New Jersey (“Commissioner”), upon information that Glen Cardace (“Cardace” or “Respondent”) may have violated various provisions of the insurance laws of the State of New Jersey; and

WHEREAS, Respondent was licensed as a resident insurance producer in the State of New Jersey pursuant to N.J.S.A. 17:22A-32(a), until said license expired on September 30, 2020; 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 to -48 (“Producer Act”) and the Producer Licensing regulations promulgated thereunder, N.J.A.C. 11:17-1.1 to -2.17, 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(d), the Commissioner shall retain the authority to enforce the provisions of and impose any penalty or remedy authorized by this act and Title 17 of the Revised Statutes or Title 17B of the New Jersey Statutes against any person who is under investigation for or charged with a violation of this act or Title 17 of the Revised Statutes or

Title 17B of the New Jersey Statutes even if the person's license or registration has been surrendered or has lapsed by operation of law; 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 commit any insurance unfair trade practice or fraud; and

WHEREAS, pursuant to N.J.S.A. 17:22A-40(a)(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-40(a)(10), an insurance producer shall not forge another's name to an application for insurance or to any document related to an insurance transaction; and

WHEREAS, pursuant to N.J.S.A. 17:22A-40(a)(16), an insurance producer shall not commit any fraudulent act; and

WHEREAS, pursuant to N.J.S.A. 17:33A-4(a)(4)(b), no person shall prepare or make any written or oral statement, intended to be presented to any insurance company or producer for the purpose of obtaining an insurance policy, knowing that the statement contains any false or misleading information concerning any fact or thing material to an insurance application or contract; 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 or may levy a civil penalty for violating 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 of up to \$5,000.00 for the first offense and up to \$10,000.00 for each subsequent offense; additionally, the Commissioner may order restitution of moneys owed any person and reimbursement of costs of the investigation and prosecution; and

WHEREAS, pursuant to N.J.S.A. 17:33A-5(a) and (c), violations of the Fraud Act subject the violator to a civil and administrative penalty of up to \$5,000.00 for the first offense, of up to \$10,000.00 for the second offense and of up to \$15,000.00 for each subsequent offense; additionally, the Commissioner may issue a final order recovering costs of prosecution, including attorneys' fees, in accordance with N.J.A.C. 11:16-7.9(c); and

WHEREAS, pursuant to N.J.S.A. 17:33A-5.1, any person who is found in any legal proceeding to have committed insurance fraud shall be subject to a surcharge in the amount of \$1,000, in addition to any other penalty, fine or charge imposed pursuant to law; and

WHEREAS, the Commissioner issued Order To Show Cause E19-110 on December 16, 2019, alleging violations of New Jersey insurance laws by Respondent as set forth below:

ALLEGATIONS COMMON TO ALL COUNTS

IT APPEARING, that at all relevant times, Respondent was a licensed insurance producer in the State of New Jersey; and

IT FURTHER APPEARING, that at all relevant times, Respondent was then married to "K.C.", and

IT FURTHER APPEARING, that on or about April 17, 2017, Respondent contacted the Gerber Life Insurance Company ("Gerber Life"), via telephone, and falsely represented himself as K.C. for the purposes of completing and signing a life insurance application in his wife's name; and

IT FURTHER APPEARING, that on or about April 25, 2017, Respondent contacted Gerber Life, via telephone, and again falsely represented himself as K.C. to help facilitate the processing and

approval of the pending insurance application he had fraudulently completed and signed in his wife's name; and

IT FURTHER APPEARING, that on or about May 2, 2017, to further facilitate the processing and approval of said insurance application, Respondent again contacted Gerber Life, via telephone, and gave false assurances to Gerber Life that it was K.C. herself who had, in fact, completed and signed the pending application for a life insurance policy; and

IT FURTHER APPEARING, that on or about May 2, 2017, as a direct consequence of Respondent's actions, Gerber Life issued a life insurance policy in the name of K.C. which designated Respondent as the primary beneficiary, and Respondent thereafter paid the monthly premium due for said policy; and

IT FURTHER APPEARING, that in or about November 2017, upon being informed that a life insurance policy had been issued in her name, K.C. advised Gerber Life that the life insurance application completed and signed in her name was fraudulent, and directed Gerber Life to cancel said policy; and

COUNT 1

(Produce Act violations)

IT FURTHER APPEARING, that Respondent knowingly engaged in fraudulent and deceitful conduct in connection with the issuance of an insurance policy by Gerber Life, specifically by misrepresenting his own identity and fraudulently assuming the identity of K.C. for purposes of applying for a life insurance policy in his wife's name without her authorization, consent or knowledge, in violation of N.J.S.A. 17:22A-40(a)(2), (7), (8), (10) and (16); and

COUNT 2

(Fraud Act violation)

IT FURTHER APPEARING, Respondent made statements to Gerber Life for the purpose of obtaining an insurance policy knowing said statements were materially false and misleading, specifically by misrepresenting his own identity and fraudulently assuming the identity of K.C. for purposes of verifying to Gerber Life that K.C. was the person completing and signing said life insurance application as her own act and decision when, in fact, she had no knowledge of said application and did not give Respondent any authorization or consent to act on her behalf, in violation of N.J.S.A. 17:33A-4(a)(4)(b); and

IT FURTHER APPEARING, that as set forth in the Certification of Dakar Ross (“Ross Cert.”), attached as Exhibit A, ¶¶3-4, Cardace was given notice of the aforesaid charges and an opportunity to contest the charges at a hearing pursuant to Order to Show Cause E19-110, which was duly served on Cardace by certified mail, RRR, and regular mail sent to the address listed on this Final Order in accordance with N.J.A.C. 11:17D-2.1(a)(3); and

IT FURTHER APPEARING, that as set forth in Ross Cert., ¶¶4-17, Respondent initially filed an answer to the OTSC and requested a hearing, but subsequently failed to comply with the ALJ’s Order to appear and participate in a hearing, and therefore the matter was returned to the agency as uncontested and Respondent has waived his rights to a hearing and the violations in the OTSC are deemed admitted pursuant to N.J.A.C. 11:17D-2.1(b)(1); and

IT FURTHER APPEARING, that in Kimmelman v. Henkels & McCoy, Inc., 108 N.J. 123 (1987), the Supreme Court established seven factors to be considered in determining the imposition of civil fines in administrative proceedings (“Kimmelman Factors”); and

IT FURTHER APPEARING, that the seven Kimmelman Factors are as follows: (1) the good or bad faith of the defendant; (2) defendant’s ability to pay a civil fine; (3) the amount of profits obtained from the illegal activity; (4) the injury to the public; (5) the duration of the misconduct; (6) the existence of criminal or treble damages actions; and (7) the past violations of defendant; and

IT FURTHER APPEARING, that the Kimmelman Factors apply to this matter as follows: (1) Respondent showed bad faith by misrepresenting his own identity and fraudulently assuming the identity of another person for purposes of applying for a life insurance policy; (2) Respondent has not provided any evidence of his inability to pay a civil fine; (3) Respondent did not profit from his actions as the policy was canceled; (4) there was injury to the public because Respondent

was licensed as an insurance producer yet violated insurance laws, which harms the reputation of the insurance industry as a whole and increases premiums for other policyholders; (5) Respondent's violations were committed as an isolated incident; (6) no criminal or treble damages actions have been filed against Respondent regarding his illegal activity; and (7) Respondent has no prior violations; and

NOW, THEREFORE, IT IS on this 9th day of February, 2026,

ORDERED, that the charges contained in Counts One and Two of Order to Show Cause E19-110 are deemed admitted by Respondent Glen Cardace, pursuant to N.J.A.C. 11:17D-2.1(b)(1); and

IT IS FURTHER ORDERED, that pursuant to N.J.S.A. 17:22A-40, and N.J.A.C. 11:17D-2.1(b)(2), the insurance producer license of Respondent Glen Cardace is hereby **REVOKED** effective upon the execution of this Final Order by the Commissioner; and

IT IS FURTHER ORDERED, that pursuant to N.J.S.A. 17:22A-45(c), Respondent shall be responsible for the payment of civil penalties to the Division of Insurance, Office of Enforcement and Consumer Protection Services, in the total amount of \$5,000.00 for the Producer Act violations cited in Count One of Order to Show Cause E19-110, which the Commissioner finds to be the appropriate amount based on a weighing of the Kimmelman factors as described above; and

IT IS FURTHER ORDERED, that pursuant to N.J.S.A. 17:33A-5(a) and (c), Respondent shall be responsible for the payment of civil penalties to the Department of Banking and Insurance, Bureau of Fraud Deterrence, in the total amount of \$5,000.00 for the Fraud Act violations cited in Count Two of Order to Show Cause E19-110, which the Commissioner finds to be the appropriate amount based on a weighing of the Kimmelman factors as described above; and

IT IS FURTHER ORDERED, that pursuant to N.J.S.A. 17:33A-5.1, Respondent shall be responsible for the payment of a surcharge to the Department of Banking and Insurance, Bureau of Fraud Deterrence, in the amount of \$1,000.00; and

IT IS FURTHER ORDERED, that pursuant to N.J.S.A. 17:22A-45(c), Respondent shall for the reimbursement to the costs of investigation totaling \$700.00. A true and exact copy of the Certification of Drew Gowen, Investigator, is attached hereto as Exhibit B. The Commissioner has reviewed the investigative costs application and finds the amount of time to be reasonable; and

IT IS FURTHER ORDERED, that pursuant to N.J.A.C. 11:16-7.9(c), Cardace shall be responsible for the payment to the Department's attorneys' fees in the total amount of \$5,000.00. A true and exact copy of the Certification of Dakar Ross is attached hereto as Exhibit A. The Commissioner has reviewed the attorneys' fee application and finds the amount of time to be reasonable; and

IT IS FURTHER ORDERED, that Respondent shall pay the above penalties and costs totaling \$16,700.00 to the Commissioner of Banking and Insurance, State of New Jersey, P.O. Box 329, Trenton, New Jersey 08625, Attention: Matthew Gervasio, Managing Investigator, by certified check, cashier's check or money order made payable to the "State of New Jersey, General Treasury," within ten days from the date of service of this Order; and

IT IS FURTHER ORDERED, that in the event full payment of the penalty and costs is not made, the Commissioner may exercise any and all remedies available by law, including but not limited to recovery of any unpaid penalties, with post-judgment interest, in accordance with the Penalty Enforcement Law, N.J.S.A. 2A:58-10 to -12; and

IT IS FURTHER ORDERED, that the civil penalty in this Final Order is imposed pursuant to the police powers of the State of New Jersey for the enforcement of the law and the protection

of the public health, safety and welfare, and is not intended to constitute debts which may be limited or discharged in a bankruptcy proceeding; and

IT IS FURTHER ORDERED, that the provisions of this Final Order represent a final agency decision and constitute a final resolution of the allegations contained in Order to Show Cause No. E19-110.

A handwritten signature in black ink, appearing to read 'S. Ochs', with a long horizontal flourish extending to the right.

Susan Ochs
Acting Commissioner