

STATE OF NEW JERSEY
DEPARTMENT OF BANKING AND INSURANCE

IN THE MATTER OF:

Proceedings by the Commissioner of Banking) CONSENT
and Insurance, State of New Jersey, to fine) ORDER
Jeffrey A. Broten, Reference No. 8301124)

To: Jeffrey A. Broten
700 Lighthouse Drive, Apt 251B
Barnegat, NJ 08005

This matter, having been opened by the Commissioner of Banking and Insurance ("Commissioner"), State of New Jersey, upon information that Jeffrey A. Broten ("Respondent"), previously licensed as a resident individual insurance producer, pursuant to N.J.S.A. 17:22A-32a, may have violated various provisions of 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 to -48 (the "Producer Act"), and the regulations governing the Insurance Producer Standards of Conduct, N.J.A.C. 11:17A-1.1 to N.J.A.C. 11:17D-2.8; and

WHEREAS, pursuant to N.J.S.A. 17:22A-40a, the Commissioner may place on probation, suspend, revoke or refuse to 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-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-40a (16), an insurance producer shall not commit any fraudulent act; and

WHEREAS, pursuant to N.J.S.A. 17:22A-40a (19), an insurance producer shall notify the commissioner within 30 days of the final disposition of any formal disciplinary proceedings initiated against the insurance producer, or disciplinary action taken against the producer, by the Financial Industry Regulatory Authority ("FINRA"), any successor organization, or other similar non-governmental regulatory authority with statutory authority to create and enforce industry standards of conduct, or of any other administrative actions or criminal prosecutions, as required by sections 15 and 22 of P.L.2001, c.210 (C.17:22A-40 and 17:22A-47), or fail to supply any documentation the commissioner may request in connection therewith; and

WHEREAS, pursuant to N.J.S.A. 17:22A-33f, an insurance producer shall inform the Commissioner by any means acceptable to the Commissioner of a change of address within 30 days of the change; and

WHEREAS, pursuant to N.J.A.C. 11:17-2.8f(2), all licenseses shall provide in the format prescribed by the Department notification of any change of business mailing or location address, residence address, phone numbers and email addresses within 30 days of the change and maintain a proof of notification for five years or until receipt of a license or other documentation from the Department showing the new address; and

WHEREAS, Respondent was an actively licensed New Jersey insurance producer from July 16, 1983 until April 1, 2020; and

WHEREAS, on February 6, 2020 the New Jersey Bureau of Securities ("NJBOS") issued Respondent a Summary, Denial, Revocation and Penalty Order ("Order") for conducting fraudulent investment trading activities and on February 26, 2020 the Order became a final disposition of Respondent's NJBOS action; and

WHEREAS, Respondent failed to report the NJBOS Order to the Commissioner within thirty days of the final disposition, in violation of N.J.S.A. 17:22A-40a(2), (8), (16) and (19); and

WHEREAS, Respondent changed his residence address in November 2019 and failed to notify the Commissioner, in violation of N.J.S.A. 17:22A-33f and N.J.A.C. 11:17-2.8f(2); and

WHEREAS, the Respondent:

- 1) Has admitted responsibility for the aforementioned violations; and
- 2) Has cooperated with the investigation conducted by the Department; and
- 3) Has asserted that the violations cited in this Consent Order were 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, Respondent has waived his right to a hearing on the aforementioned violations and consented to payment of a fine in the amount of five thousand dollars (\$5,000.00); 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 09 day of December, 2020

ORDERED AND AGREED, that the Respondent shall pay a fine in the amount of \$5,000.00 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," with an initial payment of \$500.00 due and payable immediately upon execution of this

Consent Order by the Respondent and thirty (30) monthly payments of \$150.00 due and payable on or before the 16th of each month thereafter; and

IT IS FURTHER ORDERED AND AGREED, that the signed Consent Order, together with the initial payment of \$500.00 and each subsequent monthly payment, shall be remitted to

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

and

IT IS FURTHER ORDERED AND AGREED, that in the event full payment of the civil penalty is not made in accordance with this Order, the Commissioner may exercise any and all remedies available by law, including but not limited to, recovery of any unpaid penalties in summary proceedings, in accordance with the penalty enforcement law, N.J.S.A. 2A:58-10 to 12; and

IT IS FURTHER ORDERED AND AGREED, that the civil penalties in this Consent Order are 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 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 Respondent shall cease and desist from engaging in the conduct that gave rise to this Consent Order.

M. Caride

Marlene Caride
Commissioner

Consented to as to Form,
Entry and Content

By:

Jeffrey A. Broten

Jeffrey A. Broten

Date:

11-20-2020