

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 the)	CONSENT
license of George P. Gravenstine, Reference)	ORDER
No. 8704195)	

To: George P. Gravenstine
347 West 3rd Street
Moorestown, NJ 08057-2303

This matter, having been opened by the Commissioner of Banking and Insurance ("Commissioner"), State of New Jersey, upon information that George P. Gravenstine ("Respondent"), licensed as a resident individual insurance producer, pursuant to N.J.S.A. 17:22A-32a may have violated various insurance laws of the State of New Jersey; and

WHEREAS, Respondent is subject to 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 Insurance Producer Standard 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-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. 11:17A-2.3(a), No insurance producer shall offer, make or give, or permit to be offered, made or given, to any person directly or indirectly, an inducement to purchase insurance other than that plainly expressed in the insurance contract; and

WHEREAS, pursuant to N.J.S.A. 11:17A-2.3(b), no insurance producer shall offer, pay or give, or permit to be offered, paid or given, to any person, directly or indirectly, any rebate of premiums payable on a contract of insurance, other than that plainly expressed in the contract or provided for in ratings systems filed by or on behalf of the insurer writing the contract and approved by the Commissioner; and

WHEREAS, the Respondent directed and caused an employee to issue Certificates of Liability Insurance for F.T. which contained a fraudulent insurance coverage amount, in violation of N.J.S.A. 17:22A-40a(2, (8)) and (16); and

WHEREAS, the Respondent directed and caused a premium rebate credit in the amount of \$2,565.00 to be applied to an insurance policy issued to W.P. by Merchants Mutual Insurance Company, in violation of N.J.S.A. 17:22A-40a(2) and (8); and

IT FURTHER APPEARING, that the Respondent:

- 1) Has admitted responsibility for the aforementioned violations;

- 2) Has cooperated with the investigation conducted by the New Jersey Department of Banking and Insurance ("Department"); 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 violations and consented to the payment of a fine in the amount of sixty-five thousand dollars (\$65,000.00) and a suspension of his insurance producer license for a period of three (3) months effective upon the execution date of this order ; 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 7th day of November, 2024

ORDERED AND AGREED, that the Respondent pay a fine in the amount of \$65,000.00 to the Department and agree to a suspension of his insurance producer license for a period of three months; 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 the Respondents; and

IT IS FURTHER ORDERED AND AGREED, that the signed Consent Order, together with the fine payment of \$65,000.00, shall be remitted to:

New Jersey Department of Banking and Insurance
Attention: Eugene Shannon Supervisor of Investigations
9th Floor, Consumer Protection Services, Enforcement
P.O. Box 329
Trenton, New Jersey 08625

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 from engaging in the conduct that gave rise to this Consent Order.


Justin Zimmerman
Commissioner

Consented to as to Form,
Entry and Content

By: 
George P. Gravenstine

Date: 10-31-24