

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 licenses of Brian J. Piccolo,
Reference No. 9617537, and Insurance
Coverage Specialists, LLC, Reference No.
1001967.

CONSENT ORDER

TO: Brian J. Piccolo
59 Brighton Road
Andover, New Jersey 07821

Insurance Coverage Specialists, LLC
c/o Brian J. Piccolo
59 Brighton Road
Andover, New Jersey 07821

This matter, having been opened by the Commissioner of Banking and Insurance, State of New Jersey ("Commissioner"), upon information that Brian J. Piccolo ("Piccolo") and Insurance Coverage Specialists, LLC ("ICS") (collectively, "Respondents") may have violated various provisions of the insurance laws of the State of New Jersey; and

WHEREAS, Piccolo was licensed in the State of New Jersey as a resident insurance producer pursuant to N.J.S.A. 17:22A-32(a), until said license expired on or about April 30, 2024; and

WHEREAS, ICS was licensed in the State of New Jersey as a resident business entity insurance producer pursuant to N.J.S.A. 17:22A-32(b), until said license expired on or about May 31, 2019; and

WHEREAS, Respondents are 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"), the New Jersey Insurance Fraud Prevention Act, N.J.S.A. 17:33A-1 to -30 ("Fraud Act") and the regulations promulgated thereunder, N.J.A.C. 11:16-1.1 to -7.10, the Producer Licensing regulations, 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(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, or may take any combination of actions for violating the Producer Act; 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)(5), an insurance producer shall not intentionally misrepresent the terms of an actual or proposed insurance contract, policy or application for insurance; 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)(16), an insurance producer shall not commit any fraudulent act; and

WHEREAS, pursuant to N.J.S.A. 17:33A-4(a)(3), it is a violation of the Fraud Act to conceal or knowingly fail to disclose the occurrence of an event which affects any person's initial or continued right or entitlement to (a) any insurance benefit or payment or (b) the amount of any benefit or payment to which the person is entitled; and

WHEREAS, pursuant to N.J.S.A. 17:33A-4(a)(4)(b), it is a violation of the Fraud Act to 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. 17:33A-4(a)(6), it is a violation of the Fraud Act to prepare, present or cause to be presented to any insurer or other person a certificate of insurance that contains any false or misleading information concerning the policy of insurance to which the certificate makes reference; and

WHEREAS, pursuant to N.J.S.A. 17:22A-45(c), any person violating the Producer Act is subject to a penalty not exceeding \$5,000.00 for the first offense and not exceeding \$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 not to exceed \$5,000.00 for the first offense, not to exceed \$10,000.00 for the second offense and not to exceed \$15,000.00 for each subsequent offense; moreover, 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 \$1,000.00, in addition to any other penalty, fine or charge imposed pursuant to law; and

WHEREAS, on January 14, 2020, the Commissioner issued Order To Show Cause E20-06, alleging the following:

ALLEGATIONS COMMON TO ALL COUNTS

IT APPEARING, that at all relevant times, Piccolo was the owner, president and Designated Responsible License Producer of ICS; and

IT FURTHER APPEARING, that at all relevant times, Respondents served as the insurance agent and brokerage firm for two businesses which had common ownership: Johnson Services, LLC ("Johnson Services") and Johnson Specialized Transportation, Inc. ("Johnson Transportation"); and

IT FURTHER APPEARING, that at all relevant times, Johnson Transportation was a trucking and towing company which maintained its- business operations at 302 Elbow Lane, Burlington, New Jersey; and

IT FURTHER APPEARING, that at all relevant times, Johnson Services was an automobile repair shop which also maintained its business operations at 302 Elbow Lane, Burlington, New Jersey; and

IT FURTHER APPEARING, that for the twelve (12) month period beginning in December 2010 and renewed thereafter for an additional twelve (12) month period beginning in December 2011, Respondents obtained secured workers' compensation and employer's liability coverage for Johnson Services through

insurance policies issued by Maryland Casualty Company ("Maryland Casualty"); and

IT FURTHER APPEARING, that at all relevant times, said insurance policies issued through Maryland Casualty exclusively insured Johnson Services and at no time provided any workers' compensation and employer's liability coverage for Johnson Transportation; and

COUNT ONE

IT FURTHER APPEARING, that in January 2011, Respondents issued sixty-two (62) Certificates of Insurance and presented same to numerous public agencies and private companies which falsely attested that Johnson Services and Johnson Transportation were both insured and covered under the insurance policy issued by Maryland Casualty when, in fact, only Johnson Services was the only named insured and policyholder thereunder, in violation of N.J.S.A. 17:22A-40(a)(2), (5), (7), (8) and (16), and N.J.S.A. 17:33A-4(a)(6); and

COUNT TWO

IT FURTHER APPEARING, that in connection with applying for and renewing the insurance policy through Maryland Casualty, Respondents falsely represented to Maryland Casualty that Johnson Services maintained it's a solo business operation in Mt. Laurel, New Jersey, when, in fact, Johnson Services operated its business from the same location as Johnson Transportation in Burlington, New Jersey; and

IT FURTHER APPEARING, that Respondents knowingly misrepresented and concealed information that was material and pertinent to the underwriting process of Maryland Casualty, in that Maryland Casualty relied upon said information to evaluate the insurance application of Johnson Services which resulted in Johnson Services receiving a lower risk assessment, greater insurance coverage and a lower premium rate than it would have otherwise received had Maryland Casualty known it was sharing its business premises with Johnson Transportation; in violation of N.J.S.A. 17:22A-40(a)(2), (5), (7), (8) and (16); and N.J.S.A. 17:33A-4(a)(3) and (4)(b); and

WHEREAS, Respondents were given notice of the aforesaid charges and an opportunity to contest the charges at a hearing; and

WHEREAS, on February 5, 2020, Respondents requested a hearing, and this matter was transmitted to the Office of Administrative Law as a contested matter; and

WHEREAS, Respondents admit and take responsibility for the aforementioned violations of law; and

WHEREAS, Respondents have waived their right to a hearing; and

WHEREAS, this matter should be resolved upon the consent of all parties without resort to a formal hearing; and

NOW, THEREFORE, IT IS on this 5th day of June, 2025,

IT IS FURTHER ORDERED AND AGREED, that pursuant to N.J.S.A. 17:22A-40, and N.J.A.C. 11:17D-2.1(b)(2), the producer licenses of Brian J. Piccolo and Insurance Coverage Specialists, LLC, are hereby **REVOKED** effective upon the execution of this Consent Order by the Commissioner; and

IT IS FURTHER ORDERED AND AGREED, that pursuant to N.J.S.A. 17:33A-5(a) and (c), Respondents, jointly and severally, 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 violations of the Fraud Act cited in Order to Show Cause E20-06; and

IT IS FURTHER ORDERED AND AGREED, that pursuant to N.J.S.A. 17:33A-5.1, Respondents shall be responsible for the payment of a surcharge to the Department of Banking and Insurance, Bureau of Fraud Deterrence, in the total amount of \$500.00 (a surcharge of \$250.00 for each Respondent); and

IT IS FURTHER ORDERED AND AGREED, that pursuant to N.J.S.A. 17:22A-45(c), Respondents, jointly and severally, shall be responsible for the payment of civil penalties to the

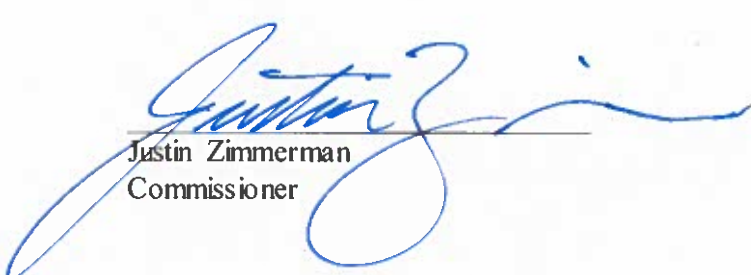
Division of Insurance, Office of Enforcement and Consumer Protection Services, in the total amount of \$15,000.00 for the Producer Act violations cited in Order to Show Cause E20-06; and

IT IS FURTHER ORDERED AND AGREED, that pursuant to N.J.S.A. 17:22A-45(c), Respondents, jointly and severally, shall be responsible for the reimbursement to the Department of the costs of investigation totaling \$2,000.00; and

IT IS FURTHER ORDERED AND AGREED, that pursuant to N.J.A.C. 11:16-7.9(c), Respondents, jointly and severally, shall be responsible for the payment to the Department of attorneys' fees in the total amount of \$2,500.00; and

IT IS FURTHER ORDERED AND AGREED, that Respondents shall pay the above penalties and costs totaling \$25,000.00 to the Commissioner of Banking and Insurance, State of New Jersey, in a single lump-sum payment, by certified check, official bank check, or money order made payable to the "Commissioner, New Jersey Department of Banking and Insurance."

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 allegations contained in Order to Show Cause No. E20-06.



Justin Zimmerman
Commissioner

CONSENTED AS TO FORM, CONTENT, AND ENTRY:

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

Dated: 5/21/2025

By: 

Dakar Ross
Deputy Attorney General

VINCENT C. SCOCA, ESQ.
Attorney for Respondents

Dated: 5/19/2025

By: *vincent scoca*

Vincent C. Scoca, Esq.

RESPONDENT

DATED: 5/13/25

By: 

Brian J. Piccolo, for himself

RESPONDENT

DATED: 5/13/25

By: 

Brian J. Piccolo, on behalf of
Insurance Coverage Specialists, LLC