

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
Producer license of David Fan, Reference) ORDER
No. 9842791)

TO: David Fan
108 Sleepy Hollow Lane.
Belle Mead, NJ 08502-4553

This matter, having been opened by the Commissioner of Banking and Insurance (“Commissioner”), State of New Jersey, upon information that David Fan, currently licensed as a resident insurance producer, pursuant to N.J.S.A. 17:22A-32, may have violated various provisions of the insurance laws of the State of New Jersey; and

WHEREAS, David Fan (“Respondent”) is subject to the provisions of New Jersey Insurance Producer Licensing Act of 2001, N.J.S.A. 17:22A-26 et seq.; and

WHEREAS, pursuant to N.J.S.A. 17:22A-40a (1) an insurance producer shall not provide incorrect, misleading, incomplete or materially untrue information in the license application; 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 (3) an insurance producer shall not obtain or attempt to obtain a license through misrepresentation or fraud; and

WHEREAS, pursuant to N.J.S.A. 17:22A-40a (7) an insurance producer shall not have admitted or been found to have committed any insurance unfair trade practice or fraud; 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 (15) an insurance producer shall not intentionally withhold material information or makes a material misstatement in an application for a license; and

WHEREAS, pursuant to N.J.S.A. 17:22A-40a (18) an insurance producer shall not fail to notify the commissioner within 30 days of the initiation of formal disciplinary proceedings in a state, other than this state affecting the producer's insurance license; and

WHEREAS, pursuant to N.J.S.A. 17:22A-47a an insurance producer shall report to the commissioner any administrative action taken against the insurance producer in another jurisdiction or by another governmental agency in this State within 30 days of the final disposition of the matter; and

IT APPEARING, that the Respondent on or about October 13, 2004, was appointed as an agent for Allianz Insurance Company of North America a/k/a Allianz Insurance Company of New York ("Allianz") and on or about January 1, 2010, the agency appointment was terminated; and

IT FURTHER APPEARING, that the Respondent on or about July 20, 2010 and December 2, 2013, contacted Allianz impersonating two annuity contract holders seeking information on the contracts cash values, in violation of N.J.S.A. 17:22A-40a (2), (7) and (8); and

IT FURTHER APPEARING, that the Respondent on or about August 11, 2010, signed a “Stipulation” of settlement with the New York Department of Insurance for violating the insurance laws of the State of New York, but failed to report the initiation of the formal disciplinary proceeding to the Commissioner within the required 30 days; and failed to report to the Commissioner the New York administrative action within 30 days of the final disposition of the matter, in violation of N.J.S.A. 17:22A-40a (2), (8), and (18) and N.J.S.A. 17:22A-47a; and

IT FURTHER APPEARING, that the Respondent on April 1, 2012 and February 19, 2014, submitted license renewal applications answering question 2 “NO”; which asks “Have you been named or involved as a party in an administrative proceeding including a FINRA sanction or arbitration proceeding regarding a professional or occupational license or registration, which has not been previously reported to this Department?”; when it was known that on or about August 11, 2010, the Respondent signed the New York stipulation, in violation of N.J.S.A. 17:22A-40a (1), (2), (3) (8) and (15); and

IT FURTHER APPEARING, that the Respondent:

- 1) Has admitted responsibility for the aforementioned violations; and
- 2) Has cooperated with the investigation conducted by the Department of Banking and Insurance (“Department”); and

3) Has asserted that the violations cited in this Consent Order were not willful;
and

IT FURTHER APPEARING, that cause does exist under N.J.S.A. 17:22A-40a
and N.J.S.A. 17:22A-45c to impose a fine; and

IT FURTHER APPEARING, that 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 \$2,500.00; and

IT FURTHER APPEARING, that this matter should be resolved upon the consent
of the parties without resort to a formal hearing; and

NOW, THEREFORE, IT IS on this 3rd day of Sept. 2014

ORDERED and AGREED, that the Respondent shall pay a fine in the amount of
\$2,500.00 to the Department by certified check, cashier's check or money order, made
payable to the State of New Jersey, General Treasury in one payment of \$2,500.00, which
shall be paid immediately upon the execution of this Consent Order by the Respondent;
and

IT IS FURTHER ORDERED AND AGREED that the signed Consent Order
together with the fine payment of \$2,500.00 shall be remitted to:

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

IT IS FURTHER ORDERED AND AGREED, that in the event full payment of
the fine is not made, 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 et seq.;
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 Respondents shall cease and desist from engaging in the conduct that gave rise to this Consent Order.



Peter L. Hartt
Acting Director of Insurance

Consented to as to
Form, Content and Entry:



David Fan

Date: 9/3/2014


9/3/2014

AARTI SHARMA
NOTARY PUBLIC
STATE OF NEW JERSEY
MY COMMISSION EXPIRES MAY 14, 2015
I.D.# 2398605