

STATE OF NEW JERSEY
DEPARTMENT OF BANKING AND INSURANCE

IN THE MATTER OF:

_____)	
Proceedings by the Commissioner of)	ORDER
Banking and Insurance, State of New Jersey,)	TO
to fine, suspend and/or revoke the insurance)	SHOW CAUSE
producer license of Robert Tuffy, Reference)	
No. 85190.)	
_____)	

TO: Robert Thomas Tuffy
2027 Barnegat Blvd.,
Point Pleasant, New Jersey 08742

THIS MATTER, having been opened by the Commissioner of Banking and Insurance, State of New Jersey ("Commissioner"), upon information that Robert Tuffy ("Respondent") may have violated various provisions of the insurance laws of the State of New Jersey; and

WHEREAS, Respondent was licensed as resident insurance producer pursuant to N.J.S.A. 17:22A-32(a), until his license expired on November 30, 2016; 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

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 the Producer 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 the Producer Act or Title 17 of the Revised States 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)(16), an insurance producer shall not commit any fraudulent act; and

WHEREAS, pursuant to N.J.S.A. 17:22A-40(a)(19), an insurance producer shall not fail to 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 N.J.S.A. 17:22A-40 and N.J.S.A. 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-47(c), an insurance producer shall report to the Commissioner any disciplinary action taken against the insurance producer, or any formal disciplinary proceedings initiated against the producer, by FINRA, any successor organization, or other similar non-governmental regulatory authority with statutory authority to create and enforce industry standards of conduct, within 30 days of the final disposition of the matter; and this report shall include a copy of the order, consent order or other relevant legal documents; 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 in accordance with N.J.S.A. 17:22A-45(c), or may take any combination of actions, for any one or more of the violations listed in N.J.S.A. 17:22A-40(a)(1) through (19); and

WHEREAS, pursuant to N.J.S.A. 17:22A-45(c), any person violating any provision of the Producer Act shall be liable to a penalty not exceeding \$5,000.00 for the first offense and not exceeding \$10,000.00 for each subsequent offense; moreover, the Commissioner may order restitution of moneys owed any person and reimbursement of costs of investigation and prosecution; and

COUNT 1

IT APPEARING, that from July 1993 until October 2015, Respondent was associated with various firms registered by FINRA; and

IT FURTHER APPEARING, that on July 27, 2016, FINRA commenced a disciplinary action against Respondent and issued a Letter of Acceptance, Waiver and Consent based on findings that Respondent, while associated with Wells Fargo, executed six trades for a customer, without the customer's authorization; and

IT FURTHER APPEARING, that the Letter of Acceptance, Waiver and Consent suspended Respondent's association with any FINRA member in any capacity for 20 days and imposed a \$5,000 fine; and

IT FURTHER APPEARING, that by executing six trades for a customer, without the customer's authorization, Respondent violated N.J.S.A. 17:22A-40(a)(16); and

COUNT 2

IT FURTHER APPEARING, that Respondent failed to report to the Commissioner within 30 days the FINRA disciplinary action and the July 27, 2016 Letter of Acceptance, Waiver and Consent; and

IT FURTHER APPEARING, that by failing to report to the Commissioner within 30 days the FINRA disciplinary action and the July 27, 2016 Letter of Acceptance, Waiver and Consent, Respondent violated N.J.S.A. 17:22A-40(a)(19), and N.J.S.A. 17:22A-47(c); and

NOW, THEREFORE, IT IS on this 14th day of October, 2019,

ORDERED, that Respondent appear and show cause why his New Jersey insurance producer license should not be suspended or revoked pursuant to N.J.S.A. 17:22A-40(a); and

IT IS FURTHER ORDERED, that Respondent appear and show cause why the Commissioner should not assess a civil penalty of up to \$5,000.00 for the first violation and up to

\$10,000.00 for each subsequent violation of the Producer Act and order restitution of moneys owed to any person, pursuant to the provisions of N.J.S.A. 17:22A-45(c); and

IT IS FURTHER ORDERED, that Respondent appear and show cause why, in addition to any other penalty, he should not be required to reimburse the Department for the costs of the investigation and prosecution as authorized by N.J.S.A. 17:22A-45(c); and

IT IS PROVIDED, that Respondent has the right to request an administrative hearing, to be represented by counsel or other qualified representative, at his own expense, to take testimony, to call or cross-examine witnesses, to have subpoenas issued, and to present evidence or argument if a hearing is requested; and

IT IS FURTHER PROVIDED, that unless a request for a hearing is received within twenty (20) days of the service of this Order to Show Cause, the right to a hearing in this matter shall be deemed to have been waived by Respondent and the Commissioner shall dispose of this matter in accordance with law. A hearing may be requested by mailing the request to Virgil Downtin, Chief of Investigations, Department of Banking and Insurance, P.O. Box 329, Trenton, New Jersey 08625, or by faxing the hearing request to the Department at (609) 292-5337. A copy of the request for a hearing shall also be sent to Deputy Attorney General Garen Gazaryan at P.O. Box 117, Trenton, New Jersey 08625. The request shall contain the following:

- A. Respondent's full name, address, and daytime telephone number;
- B. A statement referring to each charge alleged in this Order to Show Cause and identifying any defense intended to be asserted in response to each charge. Where the defense relies on facts not contained in the Order to Show Cause, those specific facts must be stated;
- C. A specific admission or denial of each fact alleged in this Order to Show Cause. Where Respondent has no specific knowledge regarding a fact alleged in the Order to Show Cause, a statement to that effect must be contained in the hearing request. Allegations of this Order to Show Cause not answered in the manner set forth above shall be deemed to have been admitted; and

D. A statement requesting a hearing.



Marlene Caride
Commissioner