

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)
license of Andro Samuel, Reference No.)
1522007)

ORDER TO SHOW CAUSE

TO: Andro Samuel
111 Long Hill Road
Little Falls, NJ 07424

THIS MATTER having been opened by the Commissioner of the New Jersey Department of Banking and Insurance (“Commissioner”), upon information that Andro Samuel (“Respondent”), may have violated various provisions of the insurance laws of the State of New Jersey; and

WHEREAS, Respondent was formerly licensed as a resident insurance producer in the State of New Jersey, pursuant to N.J.S.A. 17:22A-32(a), until July 31, 2017, when his license expired; 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 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(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 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)(8), an insurance producer shall not use fraudulent, coercive or dishonest practices, or demonstrating incompetence, untrustworthiness or financial irresponsibility in the conduct of insurance business in this State or elsewhere; and

WHEREAS, pursuant to N.J.A.C. 11:17C-2.4(a), each insurance producer shall issue a receipt for each premium for any payment, premium deposit or installment payment which is submitted by personal delivery or when a receipt is requested, and shall maintain a copy of each receipt issued; and

WHEREAS, pursuant to N.J.A.C. 11:17C-2.4(b)(1), each receipt and receipt book maintained by an insurance producer shall be sequentially prenumbered or otherwise provide documentation of the sequence in which the receipts are issued; and

WHEREAS, pursuant to N.J.A.C. 11:17C-2.4(b)(2), each receipt and receipt book maintained by an insurance producer shall be clearly signed by the insurance producer or his or her authorized employee, and the name of the insurance producer shall be typed or legibly printed below the signature; and

WHEREAS, pursuant to N.J.A.C. 11:17C-2.4(b)(3), each receipt and receipt book maintained by an insurance producer shall indicate the name of the insured; and

WHEREAS, pursuant to N.J.A.C. 11:17C-2.4(b)(4), each receipt and receipt book maintained by an insurance producer shall indicate the name of the insurance company; and

WHEREAS, pursuant to N.J.A.C. 11:17C-2.4(b)(5), each receipt and receipt book maintained by an insurance producer shall indicate the name, address and telephone number of the insurance agency; and

WHEREAS, pursuant to N.J.A.C. 11:17C-2.4(b)(6), each receipt and receipt book maintained by an insurance producer shall indicate the date and type of coverage; and

WHEREAS, pursuant to N.J.A.C. 11:17C-2.4(b)(7), each receipt and receipt book maintained by an insurance producer shall indicate the date of transaction; and

WHEREAS, pursuant to N.J.A.C. 11:17C-2.4(b)(9), each receipt and receipt book maintained by an insurance producer shall indicate the amount of remittance; and

WHEREAS, pursuant to N.J.A.C. 11:17C-2.4(d)(3), each insurance producer shall be responsible for the care, custody, and security of receipt books in the following manner: completed receipt books shall be retained for a minimum of five years from the date of completion; and

WHEREAS, pursuant to N.J.A.C. 11:17C-2.5(b), each licensee shall maintain a register of all monies received, deposited, disbursed or withdrawn in connection with an insurance transaction, including, but not limited to: premiums; and

WHEREAS, pursuant to N.J.A.C. 11:17-2.5(b)(1), the minimum information required to be maintained in the register includes the date monies are received, deposited, disbursed or withdrawn; and

WHEREAS, pursuant to N.J.A.C. 11:17-2.5(b)(2), the minimum information required to be maintained in the register includes the amount of money received, deposited, disbursed or withdrawn; and

WHEREAS, pursuant to N.J.A.C. 11:17-2.5(b)(3), the minimum information required to be maintained in the register includes an itemized record of the allocation of the funds; and

WHEREAS, pursuant to N.J.A.C. 11:17-2.5(b)(4), the minimum information required to be maintained in the register includes the name of the insured, insurance producer, insurer or other account to or from whom monies are disbursed or received pursuant to N.J.A.C. 11:17C-2.4(b); and

WHEREAS, pursuant to N.J.A.C. 11:17-2.5(b)(5), the minimum information required to be maintained in the register includes the policy number or binder number; and

WHEREAS, pursuant to N.J.A.C. 11:17-2.5(b)(6), the minimum information required to be maintained in the register includes the receipt number, when available; and

WHEREAS, pursuant to N.J.A.C. 11:17-2.5(b)(7), the minimum information required to be maintained in the register includes the method of payment; 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 for violating the Producer Act; and

WHEREAS, pursuant to N.J.S.A. 17:22A-45(c), any person violating the Producer Act is subject to a penalty of \$5,000.00 for the first offense and up to \$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

ALLEGATIONS COMMON TO ALL COUNTS

IT APPEARING that, at all relevant times, Respondent was a licensed insurance producer employed by Transamerica Insurance Company ("Transamerica"); and

IT FURTHER APPEARING that, from June 14, 2013 to March 20, 2015, Respondent issued receipts to three insureds for cash payments of their premiums; and

IT FURTHER APPEARING that the receipts provided by Respondent to three insureds failed to include sequential numbering; amount paid; signature and legible name of the insurance producer; name of the insured; name of the insurance company; name, address and telephone number of the insurance agency; the date and type of coverage; date of the transaction; and/or policy information; and

IT FURTHER APPEARING that Respondent failed to maintain receipt books and hold completed receipt books for five years; and

IT FURTHER APPEARING that Respondent failed to maintain a register with the minimum information required of all monies received by the three insureds; and

COUNT ONE

IT FURTHER APPEARING, that Respondent failed to issue proper receipts for premiums received and failed maintain insurance account records, in violation of N.J.S.A. 17:22A-40(a)(2), N.J.S.A. 17:22A-40(a)(8), N.J.A.C. 11:17-2.4, and N.J.A.C. 11:17-2.5; and

NOW, THEREFORE, IT IS on this 17 day of May 2022,

ORDERED that Respondent appear and show cause why his insurance producer's license should not be revoked or suspended, pursuant 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 Respondent to pay restitution of moneys owed to any person, pursuant to 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 investigation and prosecution as authorized by N.J.S.A. 17:22A-45(c); and

IT IS FURTHER ORDERED that Respondent has the right to request an administrative hearing, to be represented by counsel or other qualified representative, at their 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 ORDERED 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 Respondents and the Commissioner shall dispose of this matter in accordance with law. A hearing may be requested by mailing the request to Virgil Downtin, Consumer Protection Services, Enforcement, Department of Banking and Insurance, P.O. Box 329, Trenton, New Jersey 08625. A copy of the request for a hearing shall also be sent to Deputy Attorney General William E. Vaughan 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