

ORDER TO SHOW CAUSE NO. E14-611

STATE OF NEW JERSEY  
DEPARTMENT OF BANKING AND INSURANCE

IN THE MATTER OF:

\_\_\_\_\_  
Proceedings by the Commissioner )  
of the New Jersey Department of ) ORDER SUSPENDING LICENSE  
Banking and Insurance, to fine, ) PENDING COMPLETION OF  
suspend, and/or revoke the ) ADMINISTRATIVE PROCEEDINGS  
insurance producer licenses of )  
Susan Caines, Reference No. )  
9951173; Vincent; Scaturro, )  
Reference No. 0076095; and )  
Luigi Sacco, Reference No. )  
9610396 )  
\_\_\_\_\_ )

TO: Susan Caines  
70 S. Burnett St., Apt 3D  
East Orange, NJ 07018

THIS MATTER, having been opened by the Commissioner of the New Jersey Department of Banking and Insurance ("Commissioner"), State of New Jersey, upon information that Susan Caines ("Caines"), currently licensed as a resident individual insurance producer, pursuant to N.J.S.A. 17:22A-26 et seq., may have violated various provisions of the insurance laws of the State of New Jersey; and

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

WHEREAS, pursuant to 18 U.S.C. §1033 and N.J.A.C. 11:17E, no person who has been convicted of a felony involving dishonesty or breach of trust shall engage in the business of insurance without the written consent of the Commissioner or his designee; and

WHEREAS, N.J.A.C. 11:17E-1.2 defines "felony" to mean any crime identified as an offense of the first, second or fourth degree pursuant to N.J.S.A. 2C:1-4 and 43-1; 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 on a license application; and

WHEREAS, pursuant to N.J.S.A. 17:22A-40a(2), an insurance producer shall not willfully violate any insurance laws or regulation, subpoena or order of the Commissioner; 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(6), an insurance producer shall not be convicted of a felony or crime of the fourth degree or higher; and

WHEREAS, pursuant to N.J.S.A. 17:22A-40a(15), an insurance producer shall not intentionally withhold material information

or make a material misstatement on 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 his conviction of any crime, indictment or the filing of any formal criminal charges, or the suspension or revocation of any insurance license or authority by a state, other than this State, or the initiation of formal disciplinary proceedings in a state, other than this State, affecting the producer's insurance license; or fail to obtain the written consent pursuant to 18 U.S.C. 1033 and 18 U.S.C. 1034; or fail to supply any documentation that the Commissioner may request in connection therewith; and

WHEREAS, pursuant to N.J.S.A. 17:22A-45d, in any formal proceeding, if the Commissioner finds that the interests of the public require that immediate action be taken prior to completion of the hearing, the making of a determination and the entry of a final order, he may enter an appropriate order to be effective pending completion of the hearing and entry of a final order; and

IT APPEARING THAT, Caines pleaded guilty to Theft by Deception in the Third Degree, in violation of N.J.S.A. 2C:20-4, in connection with her activities as a licensed insurance

producer on August 15, 2012 in Union County Superior Court, Criminal Division; and

IT FURTHER APPEARING THAT, Caines was convicted of this offense on October 17, 2012; and

IT FURTHER APPEARING THAT, Caines' conviction for Theft by Deception in the Third Degree is a felony conviction involving dishonesty and/or breach of trust while engaging in the business of insurance, as defined by 18 U.S.C. 1033 and N.J.A.C. 11:17E-1.2; and

IT FURTHER APPEARING THAT, pursuant to 18 U.S.C. 1033 and N.J.A.C. 11:17E, Caines cannot engage in the business of insurance as a result of said conviction until such time as she obtains a written waiver from the Commissioner; and

IT FURTHER APPEARING THAT, the Commissioner has not issued a waiver to Caines, and as a result, Caines cannot legally engage in the business of insurance in this State; and

IT FURTHER APPEARING THAT, Caines completed a renewal application for her New Jersey insurance producer's license on or about March 1, 2014; and

IT FURTHER APPEARING THAT, when completing her March 1, 2014 renewal application, Caines answered "No" to the question of whether she had ever been convicted of a crime, even though

she knew this to be untrue, in violation of N.J.S.A. 17:22A-40a(1), (2), (3), and (15); and

IT FURTHER APPEARING THAT, Caines has continued to work as a licensed producer even after her conviction for Insurance Fraud in the Third Degree, without having first obtained the written consent required by 18 U.S.C. 1033 and N.J.A.C. 11:17E, in violation of 18 U.S.C. 1033, N.J.A.C. 11:17E, and N.J.S.A. 17:22A-40a(18); and

IT FURTHER APPEARING THAT, on May 21, 2014, a separate Order to Show Cause seeking revocation, monetary penalties and costs was issued against Caines and two other Respondents not named herein; and

IT FURTHER APPEARING THAT, continuing to permit Caines to conduct the business of insurance pending completion of these administrative proceedings would be harmful to the public interest; and

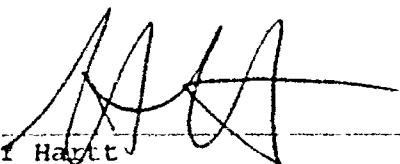
NOW, THEREFORE, IT IS on this 16<sup>th</sup> day of June, 2014

ORDERED that pursuant to N.J.S.A. 17:22A-45d, the insurance producer license held by Caines is hereby immediately suspended pending completion of administrative proceedings and entry of a Final Order; and

IT IS PROVIDED that Caines has the right pursuant to N.J.S.A. 17:22A-45d, to move to vacate this Order upon ten (10)

days' notice. Any motion to vacate this Order must be in writing and filed with the Commissioner by delivery of the motion to: Virgil Downtin, Chief of Investigations, New Jersey Department of Banking and Insurance, P.O. Box 329, Trenton, N.J. 08625 or by faxing the request to the Department at (609) 292-5337. A copy of the motion to vacate should also be sent to the Petitioner's attorney: Deputy Attorney General Jason N. Silberberg, 25 Market Street, P.O. Box 117, Trenton, New Jersey 08625; and

IT IS FURTHER PROVIDED that pursuant to N.J.S.A. 17:22A-45d, a preliminary hearing on the matters contained in this Order will be held at the Office of Administrative Law, within twenty (20) days of the date of this Order on a date selected by the Office of Administrative Law.



Peter Hartt  
Acting Director of Insurance