

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)
Conventus Inter-Insurance Exchange, Co. No.)
7611535 and Parag Patel, Ref. No. 1304869.)

CONSENT
ORDER

TO: **Conventus Inter-Insurance Exchange**
Route 9 North
Suite 503
Woodbridge, NJ 07095

Parag Patel
53 Raymond Blvd.
Parsippany, NJ 07054

This matter, having been opened to the Commissioner of Banking and Insurance (“Commissioner”), State of New Jersey, upon information that Conventus Inter-Insurance Exchange (“Conventus”) and Parag Patel (“Patel”), collectively known as (“Respondents”) may have violated various provisions of the insurance laws of the State of New Jersey; and

WHEREAS, Conventus is currently authorized to transact the business of insurance in the state of New Jersey as an exchange to write casualty insurance contracts pursuant to N.J.S.A. 17:50-1 et seq.; and

WHEREAS, Patel is currently licensed as a resident individual insurance producer pursuant to N.J.S.A. 17:22A-32a and subject to the provisions of the 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 (2), an insurance producer shall not violate insurance laws, or violate any 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 (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. 17:29B-4.2 and N.J.S.A. 17B:30-4, insurance producers shall not make, publish, disseminate, circulate, or place before the public advertisements for the sale of insurance products that are deceptive and/or misleading in fact or by implication; and

WHEREAS, Respondent Patel is an employee of the Attorney-In-Fact of the Respondent Conventus; and

WHEREAS, Respondent Patel sent an email solicitation to approximately 267 New Jersey recipients for the sale of an insurance product that was deceptive and/or misleading in fact or by implication; in violation of N.J.S.A. 17:29B-4.2, N.J.S.A. 17B:30-4, N.J.S.A. 17:22A-40a (2) and (8); and

WHEREAS, Respondents:

- 1) Have admitted responsibility for the aforementioned violations; and
- 2) Have asserted that the aforementioned violations were unintentional; and
- 3) Have cooperated fully with the investigation conducted by the New Jersey Department of Banking and Insurance; and

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

WHEREAS, Respondents have waived their right to a hearing on the aforementioned violations and have consented to the payment of a fine in the amount of \$2,000.00; and

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

NOW, THEREFORE, IT IS on this 10th day of May, 2016:

ORDERED AND AGREED that Respondents shall pay a fine in the amount of \$2,000.00 to the Department; and

IT IS FURTHER ORDERED AND AGREED that said fine shall be paid by certified check, cashier's check or money order made payable to the State of New Jersey, General Treasury, and shall be due and payable upon execution of this Consent Order by Respondents; and

IT IS FURTHER ORDERED AND AGREED that the signed Consent Order together with the fine payment in the amount of \$2,000.00 shall be remitted to:

New Jersey Department of Banking and Insurance
ATTN: Virgil Downtin, Chief of Investigations
9th Floor – Enforcement Unit
P.O. Box 329
Trenton, New Jersey 08625

IT IS FURTHER ORDERED AND AGREED that in the event full payment of the fine is not made in accordance with this Order, the Commissioner may exercise any and all remedies available by law, including but not limited to recovery of any unpaid amounts 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 Respondents shall cease and desist from engaging in the conduct that gave rise to this Consent Order.

[Handwritten Signature]

Peter L. Hartt
Director of Insurance

Consented to as to
Form, Entry, and Content

Conventus Inter-Insurance Exchange

Lindsey P. Gelormini, Esq.
Corporate Secretary
(Print Name and Title)

Date: April 25, 2016

Parag Patel
[Handwritten Signature]

Date: 4/25/16

[Handwritten Signature: Lucia M. Rodriguez]

LUCIA M. RODRIGUEZ
NOTARY PUBLIC OF NEW JERSEY
My Commission Expires 7/15/2016

