

STATE OF NEW JERSEY
DEPARTMENT OF BANKING AND INSURANCE

IN THE MATTER OF:

Proceedings by Richard J. Badolato,)
 Commissioner of Banking and Insurance,) **ORDER TO SHOW CAUSE**
 to fine, suspend, an/or revoke the)
 insurance producer license of Sukwoong)
 Yoon, a/k/a Christopher Yoon, Reference)
 No. 1181267)

TO: Sukwoong Yoon	Sukwoong Yoon
70 Colgate Ave.	11 Sunflower Ave.
Paramus, NJ 07652	Paramus, NJ 07652

THIS MATTER, having been opened by Richard J. Badolato, Commissioner, New Jersey Department of Banking and Insurance ("Commissioner"), upon information that Sukwoong Yoon, also known as Christopher Yoon ("Respondent"), may have violated various provisions of the insurance laws of the State of New Jersey; 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 et seq. ("Producer Act"); and

WHEREAS, Respondent is a licensed resident insurance producer in the State of New Jersey, pursuant to N.J.S.A. 17:22A-32; and

WHEREAS, pursuant to N.J.S.A. 17:22A-40a(2), an insurance producer shall not violate any insurance laws, 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(4), an insurance producer shall not improperly withhold, misappropriate, or convert any monies or properties received in the course of doing insurance business; and

WHEREAS, pursuant to N.J.S.A. 17:22A-40a(5), an insurance producer shall not intentionally misrepresent the terms of an actual or proposed insurance contract, policy, or application for insurance; 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(16), an insurance producer shall not commit any fraudulent act; and

ALLEGATIONS COMMON TO ALL COUNTS

IT APPEARING that at all times relevant hereto, Respondent was a registered insurance agent of Prudential Life Insurance Company ("Prudential"); and

IT FURTHER APPEARING that, on or about July 8, 2011, Respondent sold to C.I. a Prudential life insurance policy in the face amount of \$650,000 ("Policy"); and

IT FURTHER APPEARING that C.I.'s wife, E.K., was listed as the sole beneficiary under the Policy; and

IT FURTHER APPEARING that C.I. died on May 2, 2014; and

IT FURTHER APPEARING that, on or about May 9, 2014, E.K. submitted a Life Insurance Death Benefits Claim Form and Certificate of Death for C.I. to Prudential; and

IT FURTHER APPEARING that Prudential issued a death benefit check in the amount of \$650,000 made payable to E.K. ("Death Benefit Check"); and

IT FURTHER APPEARING that the Death Benefit Check was sent directly to Respondent who was to deliver it to E.K.; and

IT FURTHER APPEARING that Respondent contacted E.K. and told her that he would not turn over the Death Benefit Check to her until she paid him a \$55,445.84 "penalty"; and

IT FURTHER APPEARING that Respondent told E.K. that this "penalty" represented outstanding premium payments because C.I. had passed away within three years of the Policy's inception date; and

IT FURTHER APPEARING that no penalty or outstanding premiums were owed in connection with the Policy; and

IT FURTHER APPEARING that Respondent told E.K. to write a check in the amount of \$55,445.84, but to leave the "payable to" line blank; and

IT FURTHER APPEARING that, after E.K. told Respondent she did not have sufficient funds to pay the penalty, Respondent instructed her to provide him with the \$55,445.84 check and he would wait to cash it until the funds from the Death Benefit Check were deposited in E.K.'s checking account; and

IT FURTHER APPEARING that, E.K. gave Respondent a check for \$55,445.84 as requested by Respondent; and

Count One

IT FURTHER APPEARING that, by telling E.K. that she owed a \$55,445.84 penalty when, in fact, he knew that no such penalty had been assessed, Respondent intentionally misrepresented the terms of an actual insurance contract or policy, in violation of N.J.S.A. 17:22A-40a(2) and (5); and

IT FURTHER APPEARING that, by refusing to turn over the Death Benefit Check to E.K. until she provided him with a \$55,445.84 check, Respondent improperly withheld, misappropriated or converted money received in the course of doing insurance business, in violation of N.J.S.A. 17:22A-40a(2) and (4); and

IT FURTHER APPEARING that, by attempting to obtain \$55,445.84 from E.K. under false pretenses, Respondent committed a fraudulent act, used fraudulent, coercive, or dishonest practices,

and demonstrated incompetence, untrustworthiness, or financial irresponsibility in the conduct of insurance business, in violation of N.J.S.A. 17:22A-40a(2), (8), and (16); and

IT FURTHER APPEARING that, in accepting the \$55,445.84 "penalty" check from E.K. when he knew that no penalty had been assessed, Respondent committed a fraudulent act, used fraudulent, coercive, or dishonest practices, and demonstrated incompetence, untrustworthiness, or financial irresponsibility in the conduct of insurance business, in violation of N.J.S.A. 17:22A-40a(2), (8), and (16); and

NOW, THEREFORE, IT IS on this 6th day of December, 2016

ORDERED, that Respondent shall appear and show cause why his insurance producer license shall not be revoked by the Commissioner, pursuant to the provisions of N.J.S.A. 17:22A-40a; and

IT IS FURTHER ORDERED, that Respondent shall appear and show cause why the Commissioner should not assess fines up to \$5,000.00 for the first violation and not exceeding \$10,000.00 for each subsequent violation of the Producer Act, pursuant to the provisions of N.J.S.A. 17:22A-45c; and

IT IS FURTHER ORDERED, that Respondent shall appear and show cause why he should not be subject to restitution of moneys owed to any person and reimbursement of the costs of investigation

and prosecution by the Department of Banking and Insurance, pursuant to N.J.S.A. 17:22A-45c; 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 and subpoenas *duces tecum* 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 the 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, 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.

The request shall contain:

(A) The licensee's 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 the Respondent has no specific knowledge regarding a fact alleged in this 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.



Peter L. Hartt
Director of Insurance