

ORDER TO SHOW CAUSE NO. E16-47

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 and revoke the)
insurance licenses of Parnel Dupoux)
Reference No. 1068647 and Gametight)
Bail Bonds, Reference No. 1099529)

**ORDER
TO SHOW
CAUSE**

TO: Parnel Dupoux
90-36 53rd Street
Apartment 3C
Elmhurst, NY 11373

Gametight Bail Bonds
c/o Parnel Dupoux
90-36 53rd Street
Apartment 3C
Elmhurst, NY 11373

This matter, having been opened by the Commissioner of Banking and Insurance ("Commissioner"), State of New Jersey, upon information that Parnel Dupoux ("Dupoux") and Gametight Bail Bond ("Gametight"), (collectively, the "Respondents"), may have violated various provisions of the insurance laws of the State of New Jersey; and

WHEREAS, Dupoux was licensed as an individual insurance producer with limited authority to sell, solicit and negotiate bail bonds pursuant to N.J.S.A. 17:22A-32, until his licensed expired on April 30, 2010; and

WHEREAS, Gametight was licensed as an organizational insurance producer with limited authority to sell, solicit and negotiate bail bonds pursuant to N.J.S.A. 17:22A-32, until its license expired on May 31, 2009; and

WHEREAS, pursuant to N.J.S.A. 17:22A-32b(2), Dupoux was the Designated Responsible Licensed Producer ("DRLP"), and responsible for the conduct of Gametight, and

WHEREAS, Respondents are subject to the provisions of the New Jersey Insurance Producer Licensing Act ("Producer Act"), N.J.S.A. 17:22A-26, et seq., Producer Licensing regulations, N.J.A.C. 11:17-1 et seq. and regulations governing Insurance Producer Standards of Conduct, N.J.A.C. 11:17B-1.1 et seq. and N.J.A.C. 11:17C-1.1 et seq.; and

WHEREAS, pursuant to N.J.S.A. 17:22A-40a(2), an insurance producer shall not violate any insurance laws, regulations, subpoenas or orders 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(8), an insurance producer shall not use fraudulent, coercive or dishonest business practices, or demonstrate incompetence, untrustworthiness or financial irresponsibility in the conduct of insurance business; and

WHEREAS, pursuant to N.J.S.A. 17:22A-40a(16), an insurance producer shall not commit any fraudulent act; and

WHEREAS, pursuant to N.J.S.A. 17:22A-40d, the Commissioner shall retain authority to enforce the provisions of and to impose any penalty or remedy authorized by this 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 this 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-45, insurance producers are required to comply with subpoenas issued by the Commissioner; and

WHEREAS, pursuant to N.J.A.C. 11:17A-4.10, an insurance producer acts in a fiduciary capacity in the conduct of his or her insurance business; and

WHEREAS, pursuant to N.J.A.C. 11:17C-2.1(a), an insurance producer shall hold all premium funds in a fiduciary capacity and shall not misappropriate, improperly convert to the insurance producer's own use or illegally withhold premium funds; and

WHEREAS, pursuant to N.J.A.C. 11:17C-2.2(a)4, producers shall only be authorized to write the kinds of insurance that they have licensed authority to sell; and

WHEREAS, pursuant to the Commissioner's Bulletin No. 09-09 dated April 1, 2009, limited line bail bond authority does not include authorization to sell, solicit or negotiate Immigration Bonds; and

COUNT 1

IT APPEARING that on or about June 7, 2007, Jung Ja Park ("Park") paid the amount of \$6,530.00 to Respondents Dupoux and Gametight and entered into a Surety Bail Bond Agreement

("Agreement") with Respondents Dupoux and Gametight to purchase a \$100,000.00 immigration bond; and

IT FURTHER APPEARING that said payment of premium in the amount of \$6,500.00 was made for the purpose of obtaining an immigration bond for Park's husband, Hyun Park, which was set by the New Jersey Superior Court, Bergen County, at \$100,000.00; and

IT FURTHER APPEARING that on or about June 7, 2007, Park received a payment receipt and signed acknowledgment from Respondents which acknowledged receipt of payments in the amounts of \$6,500.00 for premium and a \$30.00 posting fee and stated that the payments were sufficient for the posting of the bond; and

IT FURTHER APPEARING that on or about June 7, 2007, a bail hearing was scheduled for Hyun Park and Respondents Dupoux and Gametight failed to post his bail; and

IT FURTHER APPEARING that Respondents Dupoux and Gametight have failed to refund and return the \$6,530.00 to Park; and

IT FURTHER APPEARING that Respondents Dupoux and Gametight improperly withheld, misappropriated and converted bond funds or premiums received in the course of conducting insurance business, which constitutes fraudulent and dishonest practices

and demonstrates incompetence, untrustworthiness and financial irresponsibility in the conduct of insurance business, in violation of N.J.S.A. 17:22A-40a(2), (4), (8) and (16), N.J.S.A. 11:17C-2.1(a) and N.J.A.C. 11:17A-4.10; and

COUNT 2

IT FURTHER APPEARING that on June 7, 2007, when Respondents Dupoux and Gametight solicited, negotiated and promised to obtain an immigration bond for Park, Respondents were not authorized to sell immigration bonds because they did not have the appropriate license;

IT FURTHER APPEARING that Respondents Dupoux and Gametight, did not possess the required licensing authority because Respondents only had bail bond authority and not casualty authority in violation of N.J.S.A. 17:22A-40a(2), (8), and (16), and N.J.A.C. 11:17C-2.2(a)4; and

COUNT 3

IT FURTHER APPEARING that on July 6, 2009, the Commissioner issued a Subpoena #09-18, to Respondent Dupoux to appear before the Department on July 20, 2009, and to provide testimony and to produce documents; and

IT FURTHER APPEARING that Respondent Dupoux failed to appear before the Department on July 20, 2009, as required by

the July 6, 2009 subpoena in violation of N.J.S.A. 17:22A-40a(2), N.J.S.A. 17:22A-40a(8) and N.J.S.A. 17:22A-45.

NOW, THEREFORE, IT IS on this *Two* day of *June*, 2016:

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

IT IS FURTHER ORDERED that Respondents Dupoux and Gametight 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, pursuant to the provisions of N.J.S.A. 17:22A-45c, due to their failure to comply with New Jersey's insurance laws and regulations; and

IT IS FURTHER ORDERED that Respondents Dupoux and Gametight appear and show cause why they should not be ordered to pay restitution of \$6,530.00 to Park, including pre-judgment and post-judgment interest; and

IT IS FURTHER ORDERED that Respondents Dupoux and Gametight appear and show cause why they should not be subject to additional penalties including reimbursement of the costs of investigation and prosecution pursuant to N.J.S.A. 17:22A-45c;

and

IT IS PROVIDED that Respondents Dupoux and Gametight have 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 subpoena 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 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, Chief of Investigations, 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 request for a hearing shall also be sent to Deputy Attorney General Carl M. Bornmann at fax number (609) 777-3503. 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 the 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