

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) CONSENT
Insurance Office of America Inc.,) ORDER
Reference No. 1003000)

To: Insurance Office of America Inc.
1855 W. State Road 434
Longwood, FL 32750

This matter, having been opened by the Commissioner of Banking and Insurance ("Commissioner"), State of New Jersey, upon information that Insurance Office of America Inc. ("Respondent"), currently licensed as a nonresident business entity insurance producer, pursuant to N.J.S.A. 17:22A-32b, may have violated 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 to -48 (the "Producer Act"), the regulations governing the Insurance Producer Standards of Conduct, N.J.A.C. 11:17B-1.1. to -3.3, and the Surplus Lines Law, N.J.S.A. 17:22-6.40 to -6.65; and

WHEREAS, pursuant to N.J.S.A. 17:22A-40a, the Commissioner may place on probation, suspend, revoke or refuse to renew an insurance producer's license, and may levy a civil penalty, for a violation of the Producer Act; and

WHEREAS, pursuant to N.J.S.A. 17:22A-40a(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-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-29, a person shall not sell, solicit or negotiate insurance in this State unless the person is licensed for that line of authority in accordance with the Producer Act; and

WHEREAS, pursuant to N.J.S.A. 17:22-6.41(a), "surplus lines agent" means an individual licensed as a surplus lines insurance producer with surplus lines authority as provided in P.L. 2001, c.210 (C.17:22A-26 et seq.) to handle the placement of insurance coverages on behalf of unauthorized insurers; and

WHEREAS, pursuant to N.J.S.A. 17:22-6.42(c), if certain insurance coverage of subjects resident, located, or to be performed in this State cannot be procured from authorized insurers, such coverages, hereinafter designated "surplus lines", may be procured from unauthorized insurers, provided, among other things, the insurance is placed through a licensed New Jersey surplus lines agent; and

WHEREAS, pursuant to N.J.A.C. 11:17B-3.1(b), any insurance producer charging a fee to an insured or prospective insured shall first obtain from the insured or prospective insured a written agreement, which shall be separate and apart from all other agreements and applications, and shall specific provisions and no other provisions;

WHEREAS, on or about October 18, 2013, Respondent purchased the operating assets and accounts of Eidyia Solutions, Inc., aka Eidyia Insurance Services: and

WHEREAS, Respondent became licensed to sell surplus lines insurance in this State as of August 22, 2014; and

WHEREAS, from January 1, 2014 until or about August 22, 2014, Respondent bound surplus lines policies for New Jersey insureds under the entity tradename of Eidyia Insurance Services prior to becoming licensed to sell surplus lines insurance, in violation of N.J.S.A. 17:22A-40a(2) and (8), N.J.S.A. 17:22A-29, N.J.S.A. 17:22-6.41(a) and N.J.S.A. 17:22-6.42(c); and

WHEREAS, from January 1, 2014 until or about October 14, 2016 Respondent charged service fees to surplus lines insureds under the entity tradename of Eidyia Insurance Services without obtaining a separate written fee agreement, in violation of N.J.S.A. 17:22A-40a(2) and (8) and N.J.A.C. 11:17B-3.1(b); and

WHEREAS, Respondent:

- 1) Acknowledges the aforementioned violations; and
 - 2) Has cooperated with the investigation conducted by the New Jersey Department of Banking and Insurance (“Department”); and
 - 3) Has asserted that the violations cited in this Consent Order were not willful;
- 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, the Respondent has waived its right to a hearing on the aforementioned violations and consented to the payment of a fine in the amount of fifteen thousand dollars (\$15,000.00); and

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

NOW, THEREFORE, IT IS on this *17th* day of *September*, 2019

ORDERED AND AGREED, that the Respondent shall pay a fine in the amount of \$15,000.00 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," which shall be paid upon execution of this Consent Order by Respondent; and

IT IS FURTHER ORDERED AND AGREED that the signed Consent Order, together with the fine payment of \$15,000.00, shall be remitted to:

New Jersey Department of Banking and Insurance
Attention: Virgil Downtin - Chief of Investigations
9th Floor, Consumer Protection Services, Enforcement
P.O. Box 329
Trenton, New Jersey 08625-329

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 the Respondent shall cease and desist from engaging in the conduct that gave rise to this Consent Order.



Marlene Caride
Marlene Caride
Commissioner

Consented to as to Form,
Entry and Content:

By: 
Heath Ritenour, as the Designated
Responsible Licensed Producer
for Insurance Office of America, Inc.

Date: 8/28/2019