

BEFORE THE INSURANCE COMMISSIONER OF THE
STATE OF OKLAHOMA

FILED
MAY 17 2017
INSURANCE COMMISSIONER
OKLAHOMA

STATE OF OKLAHOMA, ex rel. JOHN D.)
DOAK, Insurance Commissioner,)
)
Petitioner,)
vs.)
)
NEWBRIDGE SECURITIES CORPORATION,)
a non-resident insurance producer,)
)
Respondent.)
)

CASE NO. 17-0350-DEN

CONDITIONAL ADMINISTRATIVE ORDER
AND NOTICE OF RIGHT TO BE HEARD

COMES NOW the State of Oklahoma, ex rel. John D. Doak, Insurance Commissioner, by and through his attorney, Lisa M. Torneten, and alleges and states as follows:

JURISDICTION AND AUTHORITY

1. John D. Doak is the Insurance Commissioner of the State of Oklahoma and as such is charged with the duty of administering and enforcing all provisions of the Oklahoma Insurance Code, *36 O.S. §§ 101 et seq.*, including the Oklahoma Producer Licensing Act, *36 O.S. §§ 1435.1 through 1435.41*.

2. Newbridge Securities Corporation (“Respondent”) is a non-resident business entity insurance producer holding license number 10014848. Respondent’s mailing address of record is 1451 West Cypress Creek Road #204 Fort Lauderdale, FL 33309.

3. The Insurance Commissioner may place on probation, censure, suspend, revoke or refuse to issue or renew a license issued pursuant to the Oklahoma Producer Licensing Act and/or may levy a fine up to \$1,000.00 for each occurrence of a violation of the Oklahoma Insurance Code pursuant to *36 O.S. §§ 1435.13(A) and (D)*.

Insurance Code pursuant to *36 O.S. §§ 1435.13(A) and (D)*.

ALLEGATIONS OF FACTS

1. Respondent applied for renewal of its nonresident business entity insurance producer license on or about March 8, 2017 with the Oklahoma Insurance Department (the “Department”).

2. On the application form, the second question asks the following: “Has the business entity or any owner, partner, officer or director of the business entity, or manager or member of a limited liability company, been named or involved as a party in an administrative proceeding, including a Financial Industry Regulatory Authority (“FINRA”) sanction or arbitration proceeding regarding any professional or occupational license, or registration, which has not been previously reported to this insurance department?” Respondent answered “no” to this question.

3. The application form defines being “involved” in an administrative proceeding as the following: “having a license censured, suspended, revoked, canceled, terminated; or, being assessed a fine, a cease and desist order, a prohibition order, a compliance order, placed on probation, sanctioned or surrendering a license to resolve an administrative action. ‘Involved’ also means being named as a party to an administrative or arbitration proceeding, which is related to a professional or occupational license or registration.” ‘Involved’ also means having a license, or registration application denied or the act of withdrawing an application to avoid a denial.” Applicants may only exclude “terminations due solely to noncompliance with continuing education requirements or failure to pay a renewal fee.”

4. A background check conducted by the Department’s Licensing Division showed that Respondent had the following administrative actions listed on its record: an administrative

action in 2014 by FINRA for reporting violations as a result of trading and financial compliance examinations whereby Respondent entered into a Consent Order and was fined \$20,000.00; an administrative action in 2016 by the Kentucky Department of Financial Institutions for charging consumers an undisclosed commission fee whereby Respondent entered into a Consent Order and was censured, fined \$115,000.00 and ordered to pay restitution in the total amount of \$188,803.99; an administrative action in 2016 by the Massachusetts Securities Division for unauthorized broker-dealer proxy voting which resulted in Respondent entering into a Consent Order whereby it agreed to cease and desist from such conduct, was censured and was fined \$25,000.00; an administrative action in 2017 by the Department of Market Regulation of FINRA for failing to submit reportable order events for which Respondent was censured \$17,500.00. Accordingly, Respondent did not properly disclose the aforementioned administrative actions in its license renewal application.

ALLEGED VIOLATIONS OF LAW

1. Respondent violated 36 O.S. § 1435.13(A)(1); providing incorrect, misleading, incomplete or materially untrue information in its license renewal application.

ORDER

IT IS THEREFORE ORDERED, ADJUDGED AND DECREED by the Insurance Commissioner, subject to the following paragraph, that Respondent is hereby **CENSURED** and **FINED TWO HUNDRED DOLLARS (\$200.00)** for **EACH** violation of *36 O.S. § 1435.13(A)(1)*. The **\$800.00 fine is to be paid within thirty (30) days** of this Conditional Administrative Order and made payable to the Oklahoma Insurance Department. Failure to pay this fine will result in withdrawal of the license renewal application.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED by the Insurance

Commissioner that this Order is a Conditional Order. Unless Respondent requests a hearing with respect to the Allegations of Fact set forth above within thirty (30) days of mailing of this Order, this Order and the penalties set forth above shall become a Final Order on the thirty-first day following the mailing of this Order. A request for hearing shall be in writing addressed to Lisa M. Torneten, Oklahoma Insurance Department, Legal Division, 3625 NW 56th St., Suite 100, Oklahoma City, Oklahoma 73112. Additionally, the request for hearing shall state the grounds for the request to set aside or modify the Order. The request shall be served on the Oklahoma Insurance Department within the thirty (30) days allotted. The proceedings on such requested hearing will be conducted in accordance with the Oklahoma Insurance Code, *36 O.S. §§ 101 et seq.*, and the Oklahoma Administrative Procedures Act, *75 O.S. §§ 250 through 323*. If Respondent serves a timely request for hearing on the Oklahoma Insurance Department, this Conditional Order shall act as a notice of the matters to be reviewed at the hearing and the Allegations of Fact, Alleged Violations of Law, and penalties imposed in this Conditional Order shall be considered withdrawn, pending final resolution at the hearing.

WITNESS My Hand and Official Seal this 17th day of May, 2017.



JOHN D. DOAK
INSURANCE COMMISSIONER
STATE OF OKLAHOMA

A handwritten signature in cursive script, appearing to read "Lisa M. Torneten".

Lisa M. Torneten
Oklahoma Insurance Department
3625 NW 56th Street, Suite 100
Oklahoma City, Oklahoma 73112
(405) 522-6330
(405) 522-1250 Fax

CERTIFICATE OF MAILING

I, Lisa M. Torneten, hereby certify that a true and correct copy of the above and foregoing *Conditional Administrative Order and Notice of Right to be Heard* was mailed by certified mail, with postage prepaid and return receipt requested, on this 17th day of May, 2017, to the following:

Newbridge Securities Corporation
1451 Cypress Creek Rd # 204
Fort Lauderdale, FL 33309

CERTIFIED MAIL NO. 7016 2140 0000 3510 6150

and a copy was delivered to:

Lorie Jones
Licensing Division



Lisa M. Torneten
Assistant General Counsel

U.S. Postal Service™
CERTIFIED MAIL® RECEIPT
 Domestic Mail Only

For delivery information, visit our website at www.usps.com®.

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Postage \$ _____
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Newbridge Securities Corporation
 1451 Cypress Creek Rd # 204
 Fort Lauderdale, FL 33309
17-0350-DEN/LMT(mt)
(Cond. Adm. Ord. & Notice ~5-17-17)

PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

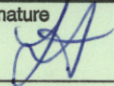
7016 2140 0000 3510 6150

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:
 Newbridge Securities Corporation
 1451 Cypress Creek Rd # 204
 Fort Lauderdale, FL 33309
17-0350-DEN/LMT(mt)
(Cond. Adm. Ord. & Notice ~5-17-17)

COMPLETE THIS SECTION ON DELIVERY

A. Signature  Agent
 Addressee

B. Received by (Printed Name) Lily Aki C. Date of Delivery 5/23/17

1. Is delivery address different from item 1? Yes
 No
 If Yes, enter delivery address below:
 RECEIVED
 OKLAHOMA INSURANCE DEPARTMENT
 MAY 30 2017
 Legal Division

3. Service Type
 Priority Mail Express®
 Registered Mail™
 Registered Mail Restricted Delivery
 Certified Mail®
 Certified Mail Restricted Delivery
 Return Receipt for Merchandise
 Signature Confirmation™
 Signature Confirmation Restricted Delivery
 Insured Mail
 Insured Mail Restricted Delivery (over \$500)

2. Article Number (Transfer from service label)
7016 2140 0000 3510 6150

PS Form 3811, July 2015 PSN 7530-02-000-9053 Domestic Return Receipt