

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 Liberty ) CONSENT  
Claims Adjusters, Inc., Reference No. 1497717 ) ORDER  
and Joseph Alan Hernandez, Reference No. 1493297. )

TO: Liberty Claims Adjusters, Inc.  
1911 NW 15<sup>th</sup> Street  
Pompano Beach, FL 33069

Joseph Alan Hernandez  
4100 NE 30<sup>th</sup> Ave.,  
Light House Point, FL 33064

This matter, having been opened by the Commissioner of Banking and Insurance ("Commissioner"), State of New Jersey, upon information that Liberty Claims Adjusters, Inc. and its designated responsible producer, Joseph Alan Hernandez (collectively "Respondents"), currently licensed as nonresident public adjusters pursuant to N.J.S.A. 17:22B-5, may have violated the public adjuster laws of the State of New Jersey; and

WHEREAS, the Respondents are subject to the provisions of the Public Adjusters Licensing Act of 1994, N.J.S.A. 17:22B-1 et seq.; and

WHEREAS, pursuant to N.J.S.A. 17:22B-3 b. N.J.A.C. 11:1-37.13 (a) and (b) 3ii no individual, firm, partnership, association or corporation licensed under this subchapter shall have any right to compensation from any insured for or on account of services rendered to an insured as a public adjuster unless the right to compensation is based on a written contract or memorandum between the adjuster and the insured and specifying or clearly defining the services to be rendered and the amount or extent of the compensation; and

WHEREAS, pursuant to N.J.A.C. 11:1-37.13(b) 5ii and 5iii the contract or memorandum shall also identify the rights and obligation of the parties if the contract or memorandum is cancelled at any time and the cost to the insured or the formula for calculation of costs to the insured for services rendered in whole or in part; and

WHEREAS, pursuant to N.J.S.A. 17:22B-14a (1) and (4), a public adjuster shall not: violate any provision of the insurance law, including any rules promulgated by the Commissioner, or violated any law in the course of his, or its, dealings as an adjuster; and demonstrate his, or its, incompetency, lack of integrity, bad faith, dishonesty, financial irresponsibility or untrustworthiness to act as an adjuster; and

WHEREAS, pursuant to N.J.A.C. 11:1-37.14a (1), (2), (4), (13) and (17), a public adjuster shall not: violate any of the insurance law, including any rules promulgated by the Commissioner, or violate any law in the course of his, or its, dealing as an adjuster; demonstrate his or its, incompetence, lack of integrity, bad faith, dishonesty, financial irresponsibility or untrustworthiness to act as a public adjuster; make any misrepresentation of fact in connection with the business of a public adjuster or commit any other act, or omission which the Commissioner determines to be inappropriate conduct by a licensee of this state; and

IT APPEARING, that the Respondents, on December 15, 2012, signed a written contract with an insured to adjust a property loss which did not contain the language identifying a list of services to be rendered, the rights and obligations of the parties if the contract is cancelled at any time or the costs to the insured or formula calculation of cost to the insured for services rendered in whole or in part, in violation N.J.S.A. 17:22B-

13 (b) N.J.S.A. 17:22B-14a. (1) and (4), N.J.A.C. 11:1-37.13 (a), (b) 3ii, 5ii, 5iii and N.J.A.C. 11:1-37.14 (a) (1), (2), (4) (13) and (17); and.

IT FURTHER APPEARING, that the Respondents, contract stipulated that the rate of compensation would be 10% of the claim payment by the insurance company; and

IT FURTHER APPEARING, that the Respondents upon notification of the amount of the claim paid by the insurance company attempted to bill the insured at a rate of 20% without securing a new written contract signed by the insured agreeing to the additional 10%, in violation of N.J.S.A. 17:22b-3 b, N.J.S.A. 17:22B-14a (1), (4) and N.J.A.C. 11:1-37. 14a (1), (2), (4), (13) and (17); and

IT FURTHER APPEARING, that the Respondents:

- 1) Have cooperated with the investigation conducted by the Department of Banking and Insurance ("Department"); and
- 2) Have asserted that the violations cited in this Consent Order were not willful; and
- 3) Accepted a fee much lower than 10% to settle with the specific insured;

IT FURTHER APPEARING, that cause does exist under N.J.S.A. 17:22B-17 to impose a fine; and

IT FURTHER APPEARING, that the Respondents have waived their right to a hearing on the aforementioned violations and consented to the payment of a fine in the amount of \$1,000.00; and

IT FURTHER APPEARING, that this matter should be resolved upon the consent of the parties without resort to a formal hearing; and

NOW, THEREFORE, IT IS on this 30<sup>TH</sup> day of OCTOBER 2014

ORDERED and AGREED, that the Respondents shall pay a fine in the amount of \$1,000.00 to the Department by certified check, cashier's check or money order, made payable to the State of New Jersey, General Treasury in one payment of \$1,000.00, which shall be paid immediately upon the execution of this Consent Order by the Respondents; and

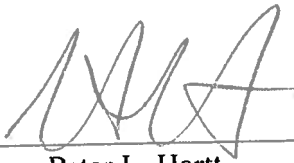
IT IS FURTHER ORDERED AND AGREED, that the signed Consent Order together with the fine payment of \$1,000.00 shall be remitted to:

New Jersey Department of Banking and Insurance  
Attention: Virgil Downtin, Chief of Investigations  
20 West State Street  
9th Floor, Consumer Protection Services, Enforcement  
P O Box 329  
Trenton, New Jersey 08625-0329

IT IS FURTHER ORDERED AND AGREED, that in the event full payment of the fine is not made, the Commissioner may exercise any and all remedies available by law, including but not limited to recovery of any unpaid penalties 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

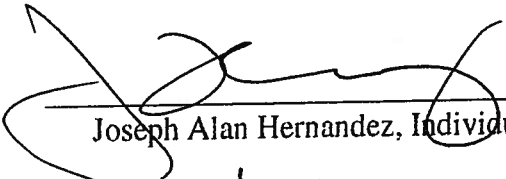
IT IS FURTHER ORDERED AND AGREED, that the Respondents shall cease and desist from engaging in the conduct that gave rise to this Consent Order.

  
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Peter L. Hartt  
Acting Director of Insurance

Consented to as to  
Form, Content and Entry:

Liberty Claims Adjusters, Inc.

By: Joseph Alan Hernandez  
Name and Title

  
\_\_\_\_\_  
Joseph Alan Hernandez, Individually

Date: 10/21/14