

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 the)
public adjuster licenses of)
Insurance Adjustment Agency,)
Inc., Reference No. 9569405,)
and Robert Goldstein, Reference)
No. 9469310.)

CONSENT ORDER

TO:

Insurance Adjustment Agency,
Inc.
52 Lafayette Lane
Cherry Hill, NJ 08003

Robert Goldstein
52 Lafayette Lane
Cherry Hill, NJ 08003

This matter having been opened to the Commissioner of Banking and Insurance ("Commissioner"), State of New Jersey, upon information that Insurance Adjustment Agency, Inc. ("IAA") and Robert Goldstein ("Goldstein") (collectively, "Respondents"), currently licensed as public adjusters pursuant to N.J.S.A. 17:22B-5, may have violated various provisions of the New Jersey Public Adjusters' Licensing Act, N.J.S.A. 17:22B-1, et seq. ("Public Adjusters' Act"); and

WHEREAS, Respondents are subject to the Public Adjusters' Act and the regulations governing the licensing of public adjusters, N.J.A.C. 11:1-37.1, et seq.; and

WHEREAS, N.J.S.A. 17:22B-14a(4) states that a public adjuster shall not demonstrate incompetency, lack of integrity,

bad faith, dishonesty, financial irresponsibility or untrustworthiness, and N.J.A.C. 11:1-37.14(a)9 prohibits a public adjuster from misappropriating, converting or illegally withholding money that was received in the conduct of business that belongs to insurers, clients or others; and

WHEREAS, N.J.S.A. 17:22B-13f and N.J.A.C. 11:1-37.11(a) and (b) require that a public adjuster maintain an interest bearing escrow or trust account into which he shall deposit any moneys held on behalf of an insured in settlement of a claim for loss or damage; and

WHEREAS, N.J.S.A. 17:22B-13b and c, and N.J.A.C. 11:1-37.13(a) and (b), require that a public adjuster execute a written contract or memorandum with the insured clearly defining the service to be rendered and the amount or extent of compensation; and

WHEREAS, pursuant to N.J.S.A. 17:22B-14a(1) and N.J.A.C. 11:1-37.14(a)1 and 2, the Commissioner may suspend or revoke the license of an adjuster if the licensee has violated any provision of the insurance laws, including any rules promulgated by the Commissioner, or has violated any law in the course of dealing as an adjuster; and

WHEREAS, pursuant to N.J.S.A. 17:22B-14a(4) and N.J.A.C. 11:1-37.14(a)4, the Commissioner may suspend or revoke the license of an adjuster if the licensee has demonstrated

incompetency, lack of integrity, bad faith, dishonesty, financial irresponsibility, or untrustworthiness to act as an adjuster; and

WHEREAS, pursuant to N.J.A.C. 11:1-37.14(a)17, the Commissioner may suspend or revoke the license of a public adjuster if the licensee has committed any other act or omission which the Commissioner determines to be inappropriate conduct by a licensee of the State; and

WHEREAS, pursuant to N.J.S.A. 17:22B-17, any person violating any provision of the Public Adjusters' Act shall, in addition to any other sanctions provided by law, be liable for a civil penalty of not more than \$2,500 for the first offense and not more than \$5,000 for the second and each subsequent offense; and

WHEREAS, at all times relevant hereto, Goldstein has been President of IAA; and

WHEREAS, on or about November 25, 2014, J.I. ("Insured"), a New Jersey resident, signed a Public Adjusters Contract ("Contract") with Respondents for the adjustment of an insurance claim; and

WHEREAS, on December 19, 2014 and December 23, 2014, Respondents received settlement checks from the insurance carrier on J.I.'s insurance claim; and

WHEREAS, Respondents did not remit the settlement funds to J.I. until February 20, 2015; and

WHEREAS, Respondents did not hold the settlement funds in an interest bearing escrow or trust account; and

WHEREAS, the Contract used by Respondents was not in compliance with the applicable law and regulations; and

WHEREAS, Respondents admit that the aforementioned conduct constituted violations of the Public Adjusters' Act; and

WHEREAS, Respondents admit and accept responsibility for all of the allegations contained herein; and

WHEREAS, all settlement funds have been remitted to the Insured, and, with respect to the remaining violations, Respondents represent and assert that they have opened a proper interest bearing escrow or trust account and have had a proper form of contract prepared by an attorney for use in future transactions; and

WHEREAS, the Commissioner is not concurring with the representations and assertions of Respondents by entering into this Consent Order; and

WHEREAS, the parties have come to an amicable resolution of the present matter wherein Respondents have knowingly and voluntarily waived their right to an administrative hearing before the Office of Administrative Law on the above violations and consent to the payment of a civil penalty totaling \$5,000.00

for violations of the Public Adjusters' Act, this civil penalty to be imposed jointly and severally upon Respondents, Insurance Adjustment Agency, Inc. and Robert Goldstein; and

WHEREAS, this matter should be resolved upon the consent of the parties without the filing of an Order to Show Cause, and without resorting to a formal hearing on the aforementioned violations, and for good cause appearing; and

NOW, THEREFORE, IT IS on this 24TH day of OCTOBER 2016;

ORDERED AND AGREED that Respondents admit to the violations of the Public Adjusters' Act as described above; and

IT IS FURTHER ORDERED AND AGREED that any future violations of the Public Adjusters' Act by Respondents shall be considered a subsequent violation; and

IT IS FURTHER ORDERED AND AGREED that, pursuant to N.J.S.A. 17:22B-17, Respondents shall pay \$5,000 in civil penalties, jointly and severally, to the Commissioner for the aforementioned violations; and

IT IS FURTHER ORDERED AND AGREED that Respondents shall make payment in the amount of \$5,000 to the Commissioner due immediately upon execution of this Consent Order by Respondents. Payment shall be made by certified check, bank check, or money order payable to the "State of New Jersey, General Treasury", and shall be sent to:

Jeffrey S. Posta, Deputy Attorney General
Banking and Insurance Section
R.J. Hughes Justice Complex
25 Market Street
P.O. Box 117
Trenton, NJ 08625-0117

IT IS FURTHER ORDERED AND AGREED that if Respondents fail to make the \$5,000 payment, in good funds, the Department can, on notice to Respondents, take any action available under the laws of this State to collect the amount outstanding at that time, including post-judgment interest from the date of the judgment, attorneys' fees, and any other remedies available under the law; and

IT IS FURTHER ORDERED AND AGREED that the \$5,000 penalty is imposed pursuant to the police powers of the State of New Jersey for the enforcement of the law and the protection of the public health, safety, and welfare, and is not intended to constitute a debt that may be limited or discharged in a bankruptcy proceeding; and

IT IS FURTHER ORDERED AND AGREED that in the event full payment of the penalty is not made, the Commissioner may exercise any and all remedies available by law, including, but not limited to, recovery of any unpaid penalties pursuant to the Penalty Enforcement Law, N.J.S.A. 2A:58-10 et seq.; and

IT IS FURTHER ORDERED AND AGREED that this Consent Order may be docketed with the Clerk of the Superior Court, as provided by the Penalty Enforcement Law, N.J.S.A. 2A:58-10 et seq.; and

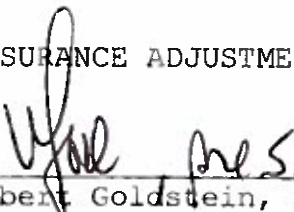
IT IS FURTHER ORDERED AND AGREED that the provisions of this Consent Order represent a final agency decision and constitute a final resolution of the allegations contained herein against Respondents.



PETER L. HARTT
Director of Insurance

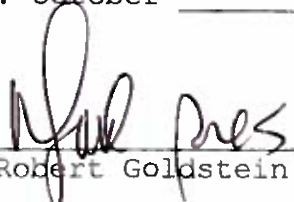
Consented to as to Form, Content, and Entry:

INSURANCE ADJUSTMENT AGENCY, INC.

By: 

Robert Goldstein, President

Dated: October 5, 2016

By: 

Robert Goldstein

Dated: October 5, 2016


By:


Robert J. Incollingo, Esq.
Attorney for Respondents

Dated: October 5, 2016

CHRISTOPHER S. PORRINO
ATTORNEY GENERAL OF NEW JERSEY

By:


Jeffrey S. Posta
Deputy Attorney General
Attorney for the Commissioner

Dated: October 13, 2016