

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
Ed Gallagher Jr., Reference No. 9569522) ORDER
and Ed Gallagher Jr. Public Adjuster LLC,)
Reference No. 1094317)

To: Edward Gallagher Jr. Edward Gallagher Jr. Public Adjuster LLC
16 Packard Drive 16 Packard Drive
Millville, NJ 08332 Millville, NJ 08332

This matter, having been opened by the Commissioner of Banking and Insurance (“Commissioner”), State of New Jersey, upon information that Ed Gallagher Jr. Public Adjuster LLC (“Gallagher LLC”) and Ed Gallagher Jr. (“Gallagher”), currently licensed as resident public adjusters, pursuant to N.J.S.A. 17:22B-5, may have violated various insurance laws of the State of New Jersey; and

WHEREAS, Gallagher LLC and Gallagher (collectively the “Respondents”) are subject to the provisions of the Public Adjusters’ Licensing Act, N.J.S.A. 17:22B-1 to -20 (“The Public Adjusters’ Act”), and the regulations governing the licensing of public adjusters, N.J.A.C. 11:1-37.1 to -19; 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, a public adjuster shall not violate any provision of the insurance law, including any rules promulgated by the Commissioner, or violate any law in the course of his, or its, dealings as a public adjuster; and

WHEREAS, pursuant to N.J.S.A. 17:22B-14a(4) and N.J.A.C. 11:1-37.14(a)4, a public adjuster shall not 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.S.A. 17:22B-13f and N.J.A.C. 11:1.37.11(a), (b) and (c), no individual, firm, association or corporation licensed under the Public Adjusters' Act shall: receive, accept or hold any moneys towards the settlement of a claim for loss or damage on behalf of an insured unless the public adjuster deposits the moneys in an interest bearing escrow account or trust account in a banking institution or savings and loan association in this State insured by an agency of the Federal government. Any funds held in escrow together with interest accumulated thereon shall be the property of the insured until disbursement thereof pursuant to a written memorandum, signed by the insured and by the adjuster, specifying or clearly defining the services rendered and the amount of any compensation to be paid therefrom. In the event of the insolvency or bankruptcy of a public adjuster, the claim of an insured for any settlement moneys received, accepted or held by the adjuster shall constitute a statutory trust; and

WHEREAS, pursuant to N.J.A.C. 11:1-37.3a, no person shall act as a public adjuster in this State on behalf of an insured unless licensed pursuant to the Public Adjusters' Act; and

WHEREAS, pursuant to N.J.A.C. 11:37-14(a)16, a public adjuster shall not engage in the business of a public adjuster in New Jersey with an invalid or expired license; and

WHEREAS, Gallagher LLC was licensed as a public adjuster until its license expired on May 31, 2017; and

WHEREAS, Gallagher LLC became relicensed as a public adjuster on May 14, 2020; and

WHEREAS, during the period from June 1, 2017 through May 13, 2020, the Respondents entered 159 public adjuster contracts for New Jersey in the name of Gallagher LLC, in violation of N.J.S.A. 17:22B-14a(1), N.J.A.C. 11:1-37.3(a) and N.J.A.C. 11:1-37.14(a)1, 2, 4 and 16; and

WHEREAS, Respondents did not maintain a trust account for the transaction of their insurance business, in violation of N.J.S.A. 17:22B-13f and N.J.A.C. 11:1.37.11(a), (b) and (c); and

IT FURTHER APPEARING, that the Respondents:

- 1) Have admitted responsibility for the aforementioned violations; and
- 2) Have cooperated with the investigation conducted by the New Jersey Department of Banking and Insurance (“Department”); and
- 3) Have asserted that the violations cited in this Consent Order were not willful; and

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

WHEREAS, 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 twenty-three thousand five hundred dollars (\$23,500.00); 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 18 day of January, 2022

ORDERED AND AGREED, that the Respondents pay a fine in the amount of \$23,500.00 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 \$23,500.00, 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 08625-0329

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 engaging in the conduct that gave rise to this Consent Order.

M. Caride

Marlene Caride
Commissioner

Consented to as to Form,
Entry and Content

Edward Gallagher Jr. Public Adjuster LLC

By: *Edward Gallagher* owner
Name and Title

By: *Edward Gallagher*
Edward Gallagher, Individually

Date: 1/10/22