

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
Kitchen Productions Inc., d/b/a Home and)	ORDER
Business Adjustment Company, Reference)	
No. 1038890, and Blaine R. Jelus, Reference)	
No. 69990)	

To: Kitchen Productions Inc.	Blaine R. Jelus
d/b/a Home and Business	2700 Old Cedar Grove Road
Adjustment Company	Broomall, PA 19008
434 E. Baltimore Pike	
Media, PA 19063	

This matter, having been opened by the Commissioner of Banking and Insurance (“Commissioner”), State of New Jersey, upon information that Kitchen Productions Inc., d/b/a Home and Business Adjustment Company (“Kitchen Productions”), currently licensed as a nonresident public adjuster business entity and Blaine R. Jelus (“Jelus”), currently licensed as a nonresident public adjuster, pursuant to N.J.S.A. 17:22B-5, may have violated the insurance laws of the State of New Jersey; and

WHEREAS, Kitchen Productions and Jelus (collectively the “Respondents”) are subject to 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 37. 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 toward the settlement of a claim for loss or damage on behalf of an insured unless the public adjuster deposits the money 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. 11:1-37.13(b) 3iii, the written memorandum or contract between a licensed public adjuster and an insured shall contain the time and date of execution of the contract (day, month, year) by each party; and

WHEREAS, pursuant to N.J.A.C. 11:1-37.13(b) 5ii and iii, the written memorandum or contract between a licensed public adjuster and an insured shall prominently include a section which specifies: (ii) the rights and obligations of the parties if the contract is cancelled at any time;

and (iii) the costs to the insured or formula for the calculation of costs to the insured for services rendered in whole or in part; and

WHEREAS, the Respondents entered into seventeen public adjuster contracts with New Jersey insureds, from May 7, 2018 to March 2, 2022, for the adjustment of insurance claims; and

WHEREAS, the seventeen written public adjuster contracts failed to include a time of contract execution, the rights and obligations of the parties if the contract is cancelled at any time, and the costs to the insured or formula used for the calculation of cost to the insured for services rendered in whole or in part, pursuant to and in violation of N.J.S.A. 17:22B-14a(1) and (4), N.J.A.C. 11:1-37.13(b) 3iii, N.J.A.C. 11:1-37.13(b)5ii and iii and N.J.A.C.11:1-37.14(a)1, 2 and 4; and

WHEREAS, the Respondents failed to maintain an interest-bearing escrow or trust account in which to deposit insurance settlement funds, pursuant to and in violation of N.J.S.A. 17:22B-13f, N.J.S.A. 17:22B-14a(1) and (4), N.J.A.C.11:1-37.11(a) and (b) and N.J.A.C. 11:1-37.14(a)1, 2 and 4; and

WHEREAS, 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 twelve thousand seven hundred fifty dollars (\$12,750.00); 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 July, 2022

ORDERED AND AGREED, that the Respondents pay a fine in the amount of twelve thousand seven hundred fifty dollars (\$12,750.00) 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" due 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 \$12,750.00 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

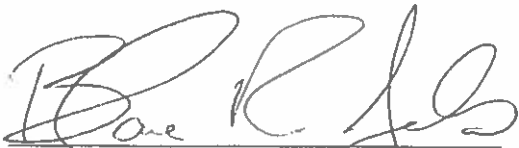
IT IS FURTHER ORDERED AND AGREED, that the provisions of this Consent Order represents a final agency decision and constitutes a final resolution of the violations contained herein; and

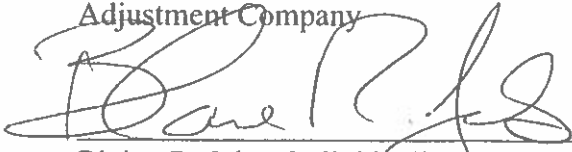
IT IS FURTHER ORDERED AND AGREED, that the Respondents shall cease and desist engaging in the conduct that gave rise to this Consent Order.



Marlene Caride
Commissioner

Consented to as to Form,
Entry and Content:

By: 
Blaine R. Jelus, Owner of
Kitchen Productions Inc. d/b/a Home and Business
Adjustment Company


Blaine R. Jelus, Individually

Date: 7/11/22