

STATE OF NEW JERSEY  
DEPARTMENT OF BANKING AND INSURANCE

IN THE MATTER OF:

Proceeding by the Commissioner of Banking )  
and Insurance, State of New Jersey, to fine )  
and voluntarily surrender the public adjuster license ) CONSENT ORDER  
of ACI Adjustment Group, Reference No: 1524096 )

To: ACI Adjustment Group  
4459 WEST SWAMP ROAD  
SUITE 18  
DOYELSTOWN, PA 15901

Peter Raymond Guzzi  
3835 S. Mallard Lane  
Doylestown, PA 18902

This matter, having been opened by the Commissioner of Banking and Insurance (“Commissioner”), State of New Jersey, upon information that ACI Adjustment Group (“ACI”) and its designated responsible licensed producer (“DRLP”), Peter Raymond Guzzi, (“Guzzi”) (collectively “Respondents”), currently licensed as non-resident 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, 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-14a (1) and (4) and N.J.A.C. 11:1-37.14(a) 1, 4, 16 and 17, the Commissioner may suspend or revoke the license of a public adjuster or impose a fine if the licensee has violated any insurance laws including any rules of this State; has committed a fraudulent or dishonest act; has demonstrated incompetence, lack of integrity, bad faith, dishonesty or untrustworthiness to act as an

adjuster; engaged in the business of a public adjuster in New Jersey with an invalid license, or has committed any other act or omission which the Commissioner determines to be inappropriate conduct by a licensee of this State; and

WHEREAS, pursuant to N.J.S.A. 17:22B-3a and b and N.J.A.C. 11:1-37.14(a)16, no individual, firm, association or corporation shall act as a public adjuster in this state unless authorized to do so by virtue of a license issued by the Commissioner; and

WHEREAS, pursuant to N.J.S.A. 17:22B-13c, N.J.A.C. 11:1-37.13(a) and N.J.A.C. 11:1-37.13(b)3ii, no individual, firm, association or corporation shall have any right to compensation from any insured for services rendered to an insured as a public adjuster unless the right to compensation is based upon a written memorandum, signed by the party to be charged and by the adjuster, specifying or clearly defining the services to be rendered, the amount or extent of the compensation and the maximum fees to be charged, which fees shall be reasonably related to services rendered; and

WHEREAS, pursuant to N.J.A.C. 11:1-37.13(b)3iii, the written memorandum 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)5 et al., the written memorandum shall also contain a section which prominently includes the procedures to be followed by the insured if he or she seeks to cancel the contract, including any requirement for a written notice; the rights and obligations of the parties if the contract is cancelled at any time; and the costs to the insured or the formula for the calculation of costs to the insured for services rendered in whole or in part; and

IT APPEARING, that on or about June 5, 2013, ACI entered into a public adjuster service contract with New Jersey insured CK, utilizing the name of ACI, an entity which was not authorized to conduct public adjusters' services in this State at the time the contract was entered into, in violation of N.J.S.A. 17:22B-3a and b and N.J.A.C. 11:1-37.14(a)16; and

IT FURTHER APPEARING, that between June 2013 until at least December 2013, ACI and/or its representatives entered into at least 11 public adjuster service contracts with various New Jersey insureds which were based upon a written memorandum that did not specify or clearly define the services to be rendered, the amount or extent of the compensation, the list of services to be rendered and the maximum fees to be charged, in violation of N.J.S.A. 17:22B-13c, N.J.A.C. 11:1-37.13(a), N.J.A.C. 11:1-37.13(b)3ii, N.J.S.A. 17:22B-14a (1) and (4), and N.J.A.C. 11:1-37.14(a) 1, 4, and 17; and

IT FURTHER APPEARING, that between June 2013 until at least December 2013, ACI and/or its representatives did receive or attempted to receive compensation from at least six New Jersey insured for services rendered, where the fees were not reasonably related to the services rendered by the public adjuster to the insured, in violation of N.J.A.C. 11:1-37.13(a), N.J.A.C. 11:1-37.13(b)3ii, N.J.S.A. 17:22B-14a (1) and (4), and N.J.A.C. 11: 1-37.14(a) 1, 4, and 17; and

IT FURTHER APPEARING, that between June 2013 until at least December 2013, ACI and/or its representatives entered into at least 11 public adjuster service contracts with various New Jersey insureds which were based upon a written memorandum that did not contain the time the contracts were executed, in violation of

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

IT FURTHER APPEARING, that between June 2013 until at least December 2013, ACI and/or its representatives entered into at least 11 public adjuster service contracts with various New Jersey insured which were based upon a written memorandum that did not contain a section which prominently included the procedures to be followed by the insured if he or she sought to cancel the contract, including any requirement for a written notice; the rights and obligations of the parties if the contract was cancelled at any time; and the costs to the insured or the formula for the calculation of costs to the insured for services rendered in whole or in part; in violation of N.J.S.A. 17:22B-14a (1) and (4), N.J.A.C. 11:1-37.13(b)5 et al. and N.J.A.C. 11:1-37.14(a) 1, 4, and 17; and

IT FURTHER APPEARING, that Respondents:

- 1) Have admitted responsibility for the aforementioned violations; and
- 2) Have cooperated with the Department of Banking and Insurance's ("Department") investigation; and

IT FURTHER APPEARING, that cause does exist under N.J.S.A. 17:22B-17 and N.J.S.A. 17:22B-14 to impose a fine and allow for the voluntary surrender the non-resident public adjuster's license of ACI; and

IT FURTHER APPEARING, that Respondents have waived their right to a hearing on the aforementioned violations; have consented to being jointly and severally liable for a fine in the amount of \$5,000.00 which shall be due and owing upon

reapplication for a public adjuster's license in the State of New Jersey; and have consented to the voluntary surrender of ACI's public adjuster's license; 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 17<sup>th</sup> day of July, 2014

ORDERED AND AGREED, that pursuant to N.J.S.A. 17:22B-14, the non-resident public adjuster's license of ACI, is hereby voluntarily surrendered effective upon the execution of this Consent Order and said license shall remain under the custody of Department of Banking and Insurance; and

IT IS FURTHER ORDERED AND AGREED, Respondent ACI consents to the voluntary surrender of its non-resident public adjuster's license, Reference No. 1524096, and said license shall be immediately returned to the Department upon execution of this Consent Order and sent to the attention of:

New Jersey Department of Banking and Insurance  
ATTN: Virgil Downtin, Chief of Investigations  
9<sup>th</sup> Floor – Enforcement Unit  
P.O. Box 329  
Trenton, New Jersey 08625

IT IS FURTHER ORDERED AND AGREED, that ACI may re-apply for a public adjuster's license any time after the date of the Commissioner's issuance of this Consent Order; and

IT IS FURTHER ORDERED AND AGREED, that in the event ACI shall seek reinstatement of licensure, ACI shall:

1. Submit payment of the fine in the amount of \$5,000.00 upon reapplication for a public adjuster's license in the State of New Jersey; and
2. Provide the Department with satisfactory proof that the written memorandum used as a basis for compensation for public adjuster services offered to New Jersey residents has been modified to comply with all aspects of New Jersey insurance laws and regulations; and
3. Agree not to charge New Jersey residents fees in excess of the lesser of 20% or the fee cap imposed by any subsequently enacted law or regulation regarding public adjuster fees; and

IT IS FURTHER ORDERED AND AGREED, that Respondents shall re-execute any of ACI's outstanding contracts with New Jersey insured into the name of Peter Guzzi alone and provide proof to the Department of same; and

IT IS FURTHER ORDERED AND AGREED, that Respondents, in addition to fulfilling the terms of any outstanding contracts entered into, will provide refunds to any and all insured charged an adjustment fee in excess of 20%, in the amounts included in "Exhibit 1"; and

IT IS FURTHER ORDERED AND AGREED, that Respondents shall provide the Department with satisfactory proof that the aforementioned public adjuster fees have been refunded within 30 days of the execution of this Consent Order; and

IT IS FURTHER ORDERED AND AGREED, that in the event full payment of the fine and/or refunds 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.

  
\_\_\_\_\_  
Peter L. Hart  
Acting Director of Insurance

Consented to as to  
Form, Content and Entry

ACI Adjustment Group

By: \_\_\_\_\_

Name: PETER R. Guzzi

Title : President/CEO

Date: 7/2/14

  
\_\_\_\_\_  
**Peter Raymond Guzzi**

Date: 7-2-14

**Exhibit 1**

1. Thomas Pullman- gross amount received \$1230.46  
Adjuster fee 30%= \$369.13  
Insured = \$861.33  
( $\$1230.46 * 20\% = \$246.09$ ) ( $\$369.13 - \$246.09 = \$123.04$ )  
**REFUND AMOUNT: \$123.04**
  
2. Cheso and Crisina DiPrato – gross amount received= \$10,933.69  
Adjuster fee 30%= \$3280.11  
Insured= \$7653.59  
( $\$10,933.69 * 20\% = \$2186.74$ ) ( $\$3280.11 - \$2186.74 = \$1093.37$ )  
**REFUND AMOUNT: \$1093.37**
  
3. Hagler- gross amount received= \$5722.52  
Adjuster fee 30%= \$1716.75  
Insured= \$4005.77  
( $\$5722.52 * 20\% = \$1144.50$ ) ( $\$1716.75 - \$1144.51 = \$572.25$ )  
**REFUND AMOUNT: \$572.25**
  
4. Csipkay: gross amount received homeowner's claim= \$13403.33  
Adjuster fee 30%= \$4020.99  
Insured= \$9382.34  
( $\$13403.33 * 20\% = \$2680.67$ ) ( $\$4020.99 - 2680.67 = \$1340.32$ )  
**REFUND AMOUNT: \$1340.32**
  
5. Franks- \$6965.27 was sent to the bank ACI still awaiting payment  
*Adjuster fee 30%= \$2089.58 to be received*  
*Insured= \$ 4875.69 to be received*  
( $\$6965.27 * 20\% = \$1393.05$ ) ( $\$2089.58 - \$1393.05 = \$696.53$ )  
**REVISED AMOUNT to adjuster: \$1393.05 (if payment not issued)**  
**REVISED AMOUNT to insured: \$5572.22 (if payment not issued)**  
**\*\*\* provide proof that the property is in foreclosure and no payment received\*\*\***
  
6. Nicolette Covato: provide proof that the fees have been reduced to 20%.