

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 revoke	)	CONSENT
the licenses of Public Adjusters Maximum Inc.	)	ORDER
Reference No. 1563991, and Michael	)	
Tracy, Reference No. 9469077	)	

To: Public Adjusters Maximum Inc.  
c/o Michael Tracy  
1313 Copperwood Drive  
Osprey, FL 34229

Michael Tracy  
1313 Copperwood Drive  
Osprey FL, 34229

This matter, having been opened by the Commissioner of Banking and Insurance (“Commissioner”), State of New Jersey, upon information that Public Adjusters Maximum Inc., (“PA Max”), which was licensed as non-resident public adjuster until its license expired on May 31, 2018, and Michael Tracy (“Tracy”), who was licensed as a non-resident public adjuster until his license expired on November 30, 2018, may have violated the laws of the State of New Jersey; and

WHEREAS, PA Max and Tracy (collectively “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 -19; and

WHEREAS, pursuant to N.J.S.A. 17:22B-14(a)(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 an adjuster; and

WHEREAS, pursuant to N.J.S.A. 17:22B-14(a)(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-13(b) and N.J.A.C. 11:1-37.13(a), no individual, firm, association or corporation licensed as a public adjuster 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 upon a written memorandum, signed by the party to be charged and by the adjuster, and specifying or clearly defining the services to be rendered and the amount or extent of the compensation on a form and with such language as the Commissioner may prescribe; and

WHEREAS, pursuant to N.J.A.C. 11:1-37.13(b)(3)(ii) and (iii), the written memorandum or contract between a licensed public adjuster and an insured shall contain a list of services to be rendered and the maximum fees to be charged, which fees shall be reasonably related to services rendered, and 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), the written memorandum or contract between a licensed public adjuster and an insured shall prominently include a section which specifies: (i) the procedures to be followed by the insured if he or she seeks to cancel the contract, including any requirement for a written notice; (ii) the rights and obligations of the parties if the contract is cancelled at any time; and (iii) 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

WHEREAS, Respondents entered into a Public Adjuster contract with New Jersey insured J.S. on or about April 21, 2017 for the adjustment of her insurance claim; and

WHEREAS, the contract completed for insured J.S. failed to include a date and time of contract execution by both parties, a complete list of services to be provided, the proper procedure to be followed

for cancelling the contract, the rights and obligations of the parties if the contract is cancelled at any time, and the costs to the insured or the 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-14(a)(1) and (4); N.J.A.C. 11:1-37.13(b)(3)(ii) and (iii); N.J.A.C. 11:1-37.13(b)(5)(i), (ii), and (iii); and N.J.A.C. 11:1-37.14(a)(1), (2) and (4); and

WHEREAS, 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, Respondents have waived their right to a hearing on the aforementioned violations and consented to the revocation of Respondents’ public adjuster licenses; and

WHEREAS, this matter should be resolved upon the consent of the parties without resort to a formal hearing on the aforementioned violations;

NOW, THEREFORE, IT IS on this *25<sup>th</sup>* day of *June*, 2019

ORDERED AND AGREED, that Respondents’ public adjuster licenses are hereby revoked;

and

IT IS FURTHER ORDERED AND AGREED, that pursuant to N.J.A.C. 11:1-37.16, Respondents are barred from reapplying for a public adjuster license for a period of one year from the date of this Consent Order; and

IT IS FURTHER ORDERED AND AGREED, that the signed Consent Order together with the

Respondents' licenses shall be returned to:

New Jersey Department of Banking and Insurance  
Attention: Virgil Downtin - Chief of Investigations  
9<sup>th</sup> Floor, Consumer Protection Services, Enforcement  
P.O. Box 329  
Trenton, New Jersey 08625

and

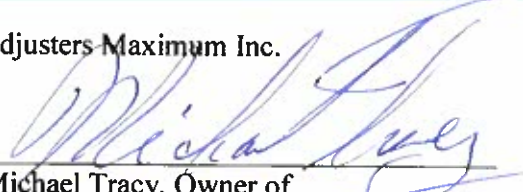
IT IS FURTHER ORDERED AND AGREED, that the provisions of this Consent Order represent a final agency decision and constitute a final resolution of the violations contained herein.

  
\_\_\_\_\_  
Marlene Caride  
Commissioner

**Consented to as to Form, Content and Entry:**

Public Adjusters Maximum Inc.

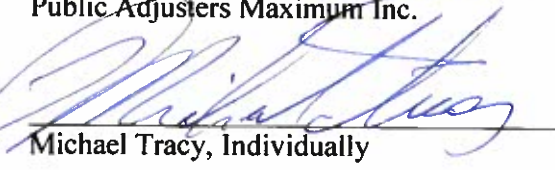
By:

  
\_\_\_\_\_  
Michael Tracy, Owner of  
Public Adjusters Maximum Inc.

Date:

5/23/19

By:

  
\_\_\_\_\_  
Michael Tracy, Individually

Date:

5/23/19

GURBIR S. GREWAL  
ATTORNEY GENERAL OF NEW JERSEY  
Attorney for the New Jersey  
Department of Banking and Insurance

By:

  
\_\_\_\_\_  
Brian R. Fitzgerald  
Deputy Attorney General

Date:

5/31/19