

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)	CONSENT
the public adjuster licenses of Scott Scelso,)	ORDER
Reference No. 9469079 and Seleznov)	
Adjustment Bureau of NJ, LLC, Reference No.)	
9469199)	

To: Scott Scelso
126 South White Horse Pike
Berlin, NJ 08009

Seleznov Adjustment Bureau of NJ, LLC
155 South White Horse Pike
Berlin, NJ 08009

This matter, having been opened by the Commissioner of Banking and Insurance (“Commissioner”), State of New Jersey, upon information that Seleznov Adjustment Bureau of NJ, LLC (“SAB”) currently licensed as a resident business entity public adjuster, pursuant to N.J.S.A. 17:22B-5 and Scott Scelso, (“Scelso”) currently licensed as a resident individual public adjuster, pursuant to N.J.S.A. 17:22B-5, may have violated various provisions of the public adjuster laws of the State of New Jersey; and

WHEREAS, SAB and Scelso (collectively “Respondents”) are subject to the provisions of the New Jersey Public Adjusters Licensing Act of 1994 (“Public Adjusters Act”), N.J.S.A. 17:22B-1 et seq.; and

WHEREAS, pursuant to N.J.S.A. 17:22B-14a (1), (3), and (4), and N.J.A.C. 11:1-37.14 (a) 2, 3, 4, 13, 15, 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 law of this State; has violated any law in the course of acting as a public adjuster; committed a

fraudulent or dishonest act; demonstrated the applicant's or licensee's lack of integrity, incompetency, bad faith, dishonesty, financial irresponsibility, or untrustworthiness to act as a public adjuster; made any misrepresentation of facts or advised any person on questions of law in conjunction with the business as a public adjuster; solicited the adjustment of a loss or damage occurring in this State from an insured, whether by personal interview, by telephone, or by any other method, between the hours of 6:00 P.M. and 8:00 A.M. during the 24 hours after the loss has occurred; 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-13 (a) and (b), N.J.A.C. 11:1-37.13 (c) and (d), no public adjuster shall solicit the adjustment of a loss or damage occurring in this State from an insured, whether by personal interview, by telephone, or by any other method, between the hours of 6:00 P.M. and 8:00 A.M.; or enter into any contract or agreement, oral or written, with an insured, to negotiate or settle claims for loss or damage occurring in this State between the hours of 6:00 P.M. and 8:00 A.M. during the 24 hours after the loss has occurred; and

WHEREAS, pursuant to N.J.S.A. 17:22B-13 (c) and N.J.A.C. 11:1-37.13(b) 3ii and iii, 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 that specifies or clearly defines the services to be rendered and the maximum fees to be charged, which fees shall be reasonably related to services rendered, and shall contain the time of execution of the contract (day, month, year) by each party; and

WHEREAS, pursuant to N.J.S.A. 17:22B-13 (e), no public adjuster shall make any misrepresentation of facts or advise any person on questions of law in connection with the transaction of business as an adjuster; and

WHEREAS, pursuant to N.J.A.C. 11:1-37.13 (b) 5i, ii, and iii, 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

WHEREAS, on or about February 29, 2012, Respondents entered into a public adjuster service contract with New Jersey insured TM which was based upon a written memorandum that did not specify the services to be rendered, the correct time that the contract was executed, the procedures to be followed if the insured sought to cancel their contract, including any costs/improper advisement to the insured regarding Respondents representation as legal counsel, in violation of N.J.S.A. 17:22B-13 (c), and (e); N.J.S.A. 17:22B-14a (1), (3), and (4); N.J.A.C. 11:1-37.13 (b) 3ii and 3iii; N.J.A.C. 11:1-37.13 (b) 5i, ii, and iii; and N.J.A.C. 11:1-37.14 (a) 2, 3, 4, 13, and 17; and

WHEREAS, on or about August 1, 2014, four notarized witness statements were submitted to the Department indicating that the Respondents entered into a public adjuster service contract with New Jersey insured TM on or about February 29, 2012, prior to 8:00 A.M., in violation of N.J.S.A. 17:22B-13 (a) and (b); N.J.S.A. 17:22B-14 (1), (3), and (4); N.J.A.C. 11:1-37.13 (c) and (d), and N.J.A.C. 11:1-37.14 (a) 2, 3, 4, 5, 15, and 17; and

WHEREAS, from January 2009 – February 2012, Respondents entered into three public adjuster service contracts with various New Jersey insureds which were based upon a written memorandum that failed to 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), (3), and (4), and N.J.A.C. 11:1-37.14 (a) 2, 3, 4, 13, and 17; and

WHEREAS, from January 2009 – February 2012, Respondents entered into ten public adjuster service contracts with various New Jersey insureds which were based upon written memorandums 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 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, in violation of N.J.S.A. 17:22B-14a (1), (3), and (4); N.J.A.C. 11:1-37.13 (b) 3ii, N.J.A.C. 11:1-37.13 (b) 5i, ii, and iii; and N.J.A.C. 11:1-37.14 (a) 2, 3, 4, 13, and 17; and

WHEREAS, the Respondents:

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

WHEREAS, cause does exist under N.J.S.A. 17:22B-1 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 \$2,500.00 for violations of the Public Adjusters Act; and

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

NOW, THEREFORE, IT IS on this 2nd day of June, 2015

ORDERED AND AGREED, that Respondents admit to the violations of the Public Adjusters Act; and

IT IS FURTHER ORDERED AND AGREED, that Respondents shall pay a fine in the amount of \$2,500.00 for the violations of the Public Adjusters Act admitted herein; 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 immediately upon execution of this Consent Order by Respondents; and

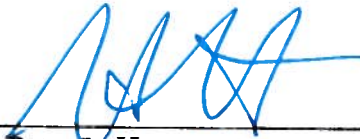
IT IS FURTHER ORDERED AND AGREED, that the signed Consent Order, together with the fine payment of \$2,500.00, shall be remitted to:

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

IT IS FURTHER ORDERED AND AGREED, that in the event full payment is not made in accordance with this Order, 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; and

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



Peter L. Hart
Director of Insurance

Consented to as to Form,
Entry and Content:

By:



Seleznov Adjustment Bureau of NJ, LLC



Title



Scott Scelso - Individually



Date