

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 and )  
suspend or revoke the public )       **CONSENT**  
adjuster license of David )       **ORDER**  
Dallmer, Reference No. 9569425, )  
and to fine David Dallmer )  
Public Adjusters, LLC, )  
unlicensed. )

TO: David Dallmer Public Adjusters, LLC        David Dallmer  
      2 Quince Circle                                2 Quince Circle  
      Lumberton, NJ 08048                         Lumberton, NJ 08048

This matter, having been opened to Kenneth Kobylowski, Commissioner, New Jersey Department of Banking and Insurance ("Commissioner"), upon information that David Dallmer and David Dallmer Public Adjusters, LLC (collectively "Respondents") may have violated various provisions of the insurance laws of the State of New Jersey; and

WHEREAS, David Dallmer is currently licensed as a public adjuster pursuant to N.J.S.A. 17:22B-5; and

WHEREAS, David Dallmer Public Adjusters, LLC has never been licensed as a public adjuster in the State of New Jersey; and

WHEREAS, Respondents are subject to the New Jersey Public Adjusters' Licensing Act, N.J.S.A. 17:22B-1, et seq. ("Public Adjusters' Act") and the regulations governing the licensing of public adjusters, N.J.A.C. 11:1-37.1, et seq.; and

WHEREAS, pursuant to N.J.S.A. 17:22B-3a, no individual, firm, association, or corporation shall act as an adjuster in this State unless authorized to do so by virtue of a license issued or renewed pursuant to the Public Adjusters' Act; and

WHEREAS, pursuant to N.J.S.A. 17:22B-3b, an adjuster shall not act on behalf of an insured unless licensed as a public adjuster; and

WHEREAS, pursuant to N.J.S.A. 17:22B-17, the Commissioner has the statutory authority to bring actions against unlicensed individuals or corporations alleging the unlicensed practice of public adjusting; and

WHEREAS, pursuant to N.J.S.A. 17:22B-13(f), an adjuster shall not 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 money in an interest-bearing escrow account in a banking institution or savings and loan association in this State insured by an agency of the federal government; 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, an adjuster shall not violate any provision of the insurance laws, including any rules promulgated by the Commissioner, or violate any law in the course of dealing as an adjuster; and

WHEREAS, pursuant to N.J.S.A. 17:22B-14a(3) and N.J.A.C. 11:1-37.14(a)3, an adjuster shall not commit a fraudulent or dishonest act; and

WHEREAS, pursuant to N.J.S.A. 17:22B-14a(4) and N.J.A.C. 11:1-37.14(a)4, an adjuster shall not demonstrate incompetency, lack of integrity, bad faith, dishonesty, financial irresponsibility, or untrustworthiness to act as an adjuster; and

WHEREAS, pursuant to N.J.A.C. 11:1-37.14(a)9, an adjuster shall not misappropriate, convert, or illegally withhold money which was received in the conduct of business that belonged to insurers, clients, or others; and

WHEREAS, pursuant to N.J.A.C. 11:1-37.14(a)17, an adjuster shall not commit any other act or omission which the Commissioner determines to be inappropriate conduct by a licensee of the State; and

WHEREAS, pursuant to N.J.S.A. 17:22B-17, any person violating any provision of the Public Adjusters' Act shall, in addition to any other sanctions provided by law, be liable for a civil penalty of not more than \$2,500.00 for the first offense and not more than \$5,000.00 for the second and each subsequent offense; and

WHEREAS, on May 21, 2014, the Commissioner issued Order to Show Cause E14-61 ("OTSC") alleging that Respondents

violated various provisions of the insurance laws of New Jersey,  
as set forth in the following Counts 1 through 5:

COUNT 1

IT APPEARING that David Dallmer Public Adjusters, LLC has never been licensed as a public adjuster in New Jersey; and

IT FURTHER APPEARING that, at all times relevant hereto, K.B. and J.B.'s (husband and wife) New Jersey residence was insured by AIG; and

IT FURTHER APPEARING that, in March 2011, K.B. and J.B. claimed that their residence was damaged during a storm; and

IT FURTHER APPEARING that, on or about May 25, 2011, Respondents presented K.B. and J.B. with a David Dallmer Public Adjusters, LLC Public Adjuster Contract; and

IT FURTHER APPEARING that the Public Adjuster Contract stated that "David Dallmer Public Adjusters, LLC or its representative is hereby retained to advise and assist in adjustment of" K.B. and J.B.'s insurance claim related to the storm damage to their residence; and

IT FURTHER APPEARING that the Public Adjuster Contract provided for a contingent fee of twenty percent (20%) "of the recoverable amount agreed upon on [K.B. and J.B.'s] behalf in settlement of the claim plus reimbursement of all necessary expenses"; and

IT FURTHER APPEARING that, on or about May 25, 2011, David Dallmer and K.B. signed the Public Adjuster Contract; and

IT FURTHER APPEARING that, on or about June 25, 2011, Respondents presented K.B. and J.B. with a David Dallmer Public Adjusters, LLC Notice of Assignment; and

IT FURTHER APPEARING that the Notice of Assignment stated that "[t]his is to certify that

David Dallmer Public Adjusters, LLC or its representative is hereby retained to advise and assist in the adjustment of the insurance claim arising from" the March 2011 storm; and

IT FURTHER APPEARING that the Notice of Assignment stated "that all correspondence relating to this loss be directed solely to my representative, David Dallmer Public Adjusters, LLC"; and

IT FURTHER APPEARING that the Notice of Assignment stated "[t]his will serve to notify my insurance carrier that I am assigning benefits under my insurance policy to my public adjuster to the extent necessary to pay any fees for services rendered. My insurance company is instructed to place my public adjuster's name on any settlement check or draft pertaining to this loss and transmit same to my public adjuster"; and

IT FURTHER APPEARING that the Notice of Assignment stated that David Dallmer Public Adjusters, LLC is "Licensed by NJ Department of Insurance and PA Insurance Department"; and

IT FURTHER APPEARING that, on or about June 25, 2011, K.B. signed the Notice of Assignment; and

IT FURTHER APPEARING that, on or about September 1, 2011, Respondents conducted an estimate of the damages to K.B. and J.B.'s residence; and

IT FURTHER APPEARING that this estimate was completed on David Dallmer Public Adjusters, LLC letterhead; and

IT FURTHER APPEARING that, by entering into an agreement to "advise and assist in the adjustment of [K.B. and J.B.'s] insurance claim", David Dallmer Public Adjusters, LLC acted as a public adjuster, despite not being licensed as a public adjuster pursuant to the Public Adjusters' Act, in violation of N.J.S.A. 17:22B-3(a) and (b), N.J.S.A. 17:22B-14a(1) and (3), and N.J.A.C. 11:1-37.14(a)1, 2, 4, and 17; and

IT FURTHER APPEARING that, by representing that it was licensed in New Jersey when, in fact, it was not, Respondents made a misrepresentation of facts in connection with the business of a public adjuster, in violation of N.J.S.A. 17:22B-13(e) and -14a(1), (3), and (4) and N.J.A.C. 11:1-37.14(a)1-4, 13, and 17; and

IT FURTHER APPEARING that, by conducting an estimate of the damages to K.B. and J.B.'s residence, Dallmer Public Adjusters, LLC acted as a public adjuster, despite not being licensed as a public adjuster pursuant to the Public Adjusters' Act, in violation of N.J.S.A. 17:22B-3(a) and (b), N.J.S.A. 17:22B-14a(1) and (3), and N.J.A.C. 11:1-37.14(a)1, 2, 4, and 17; and

IT FURTHER APPEARING that, David Dallmer aided, abetted, or assisted David Dallmer Public Adjusters, LLC in violating insurance laws of this State, in violation of N.J.S.A. 17:22B-14(1), (3), and (5) and N.J.A.C. 11:1-37.14(a)1, 3, 5, and 17; and

#### COUNT 2

IT FURTHER APPEARING that, on or about April 6, 2012, AIG issued check no. 60168957, in the amount of \$36,417.18, payable to David Dallmer Public Adjusters, LLC and K.B. and J.B.; and

IT FURTHER APPEARING that this amount constituted an undisputed payment on K.B. and J.B.'s insurance claim stemming from the storm damage to their residence; and

IT FURTHER APPEARING that AIG mailed the April 6, 2012 check to David Dallmer Public Adjusters, LLC at 2 Quince Circle, Lumberton, NJ 08048; and

IT FURTHER APPEARING that, on or about May 4, 2012, Respondents deposited AIG's April 6, 2012 check into David Dallmer Public Adjusters, LLC's TD Bank Business Convenience Checking account; and

IT FURTHER APPEARING that, to date, none of the \$36,417.18 received from AIG in connection with K.B. and J.B.'s insurance claim was remitted to K.B. and J.B.; and

IT FURTHER APPEARING that, by depositing the April 6, 2012 check into David Dallmer Public Adjusters, LLC's account, and not remitting any of the funds received from AIG to K.B. and J.B., Respondents misappropriated, converted, or illegally withheld money received in the conduct of business that belongs to clients, in violation of N.J.S.A. 17:22B-14a(1), (3), and (4) and N.J.A.C. 11:1-37.14(a)(1)-(4), (9), and (17); and

### COUNT 3

IT FURTHER APPEARING that, by depositing the April 6, 2012 check into David Dallmer Public Adjusters, LLC's Business Convenience Checking account, Respondents received, accepted, or held money toward the settlement of a claim for loss or damage on behalf of an insured without depositing the funds into an interest bearing escrow account, in violation of N.J.S.A. 17:22B-13(f) and N.J.S.A. 17:22B-14a(1) and N.J.A.C. 11:1-37.14(a)1 and 2; and

### COUNT 4

IT FURTHER APPEARING that, on or about May 30, 2012, AIG issued check no. 60177034, in the amount of \$39,522.03, payable to David Dallmer Public Adjusters, LLC and K.B. and J.B.; and

IT FURTHER APPEARING that this amount constituted an undisputed payment on K.B. and J.B.'s insurance claim stemming from the storm damage to their residence; and

IT FURTHER APPEARING that AIG mailed the May 30, 2012 check to David Dallmer Public Adjusters, LLC at 2 Quince Circle, Lumberton, NJ 08048; and

IT FURTHER APPEARING that, on or about June 15, Respondents deposited AIG's May 30, 2012 check into David Dallmer Public Adjusters, LLC's TD Bank Business Convenience Checking account; and

IT FURTHER APPEARING that, to date, none of the \$39,522.03 received from AIG in connection with K.B.

and J.B.'s insurance claim was remitted to K.B. and J.B.; and

IT FURTHER APPEARING that, by depositing the May 30, 2012 check into David Dallmer Public Adjusters, LLC's account, and not remitting any of the funds received from AIG to K.B. and J.B., Respondents misappropriated, converted, or illegally withheld money received in the conduct of business that belongs to clients, in violation of N.J.S.A. 17:22B-14a(1), (3), and (4) and N.J.A.C. 11:1-37.14(a)(1)-(4), (9), and (17); and

#### COUNT 5

IT FURTHER APPEARING that, by depositing the May 30, 2012 check into David Dallmer Public Adjusters, LLC's Business Convenience Checking account, Respondents received, accepted, or held money toward the settlement of a claim for loss or damage on behalf of an insured without depositing the funds into an interest bearing escrow account, in violation of N.J.S.A. 17:22B-13(f) and N.J.S.A. 17:22B-14a(1) and N.J.A.C. 11:1-37.14(a)1 and 2; and

IT FURTHER APPEARING that, Respondents have completed paying restitution to K.B. and J.B. in connection with their insurance claim; and

IT FURTHER APPEARING that the parties agree that this matter should be resolved without resorting to a formal hearing on the aforementioned violations and for good cause appearing; and

IT FURTHER APPEARING that Respondents admit and agree to take responsibility for the aforementioned violations; and

IT FURTHER APPEARING that cause does exist, pursuant to the provisions of N.J.S.A. 17:22B-14 and 17, to revoke



Respondent David Dallmer's public adjuster's license and impose fines upon Respondents; and

IT FURTHER APPEARING that Respondents have waived their right to a hearing on the above violations and consent to the revocation of Respondent Dallmer's public adjuster's license; and

NOW, THEREFORE, IT IS on this 10<sup>th</sup> day of August, 2015:

ORDERED AND AGREED that Respondents admit to the violations of New Jersey insurance laws described above; and

IT IS FURTHER ORDERED AND AGREED that Respondent David Dallmer's public adjuster license is hereby REVOKED; and

IT IS FURTHER ORDERED AND AGREED that Respondent David Dallmer Public Adjusters, LLC will cease and desist acting as an unlicensed public adjuster in the State of New Jersey; and

IT IS FURTHER ORDERED AND AGREED that any future violations of the New Jersey insurance laws by Respondents shall be considered a subsequent violation; and

IT IS FURTHER ORDERED AND AGREED that, pursuant to N.J.S.A. 17:22B-17, Respondents shall pay \$15,000.00 in civil penalties, jointly and severally, to the Commissioner for the aforementioned violations; and

IT IS FURTHER ORDERED AND AGREED that Respondents shall pay \$2,500.00 as an initial down payment due **immediately**

upon execution of this Consent Order by Respondents. Payment shall be made by certified check, bank check, or money order payable to the "State of New Jersey, General Treasury", and shall be sent to:

Gordon A. Queenan, Deputy Attorney General  
Banking and Insurance Section  
R.J. Hughes Justice Complex  
25 Market Street  
P.O. Box 117  
Trenton, NJ 08625-0117

IT IS FURTHER ORDERED AND AGREED that Respondents shall pay \$1,250.00 per month for 10 months, beginning September 1, 2015, and continuing thereafter on the first day of each consecutive month until the final payment date of June 1, 2016. Payment shall be made by certified check, bank check, or money order made payable to the "State of New Jersey, General Treasury" and remitted to:

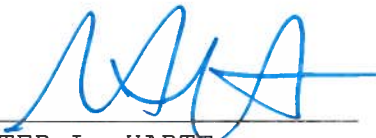
Commissioner  
New Jersey Department of Banking and Insurance  
Attn: Jan Allen, Collections  
20 West State Street  
P.O. Box 325  
Trenton, NJ 08625

IT IS FURTHER ORDERED AND AGREED that if Respondents fail to make any scheduled payment within 10 days of its due date, the Department can, upon notice to Respondents, declare the entire balance outstanding to be immediately due and payable. Thereafter, the Department may take any action available under the laws of this State to collect the amount


outstanding at that time, including post-judgment interest from the date of the judgment, attorneys' fees, and any other remedies available under the law; and

IT IS FURTHER ORDERED AND AGREED that Respondents consent to the entry of this Consent Order. Respondents understand that this Consent Order may be docketed with the Clerk of the Superior Court as provided in the Penalty Enforcement Law (N.J.S.A. 2A:58-1 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 allegations contained herein against Respondents.

  
\_\_\_\_\_  
PETER L. HART  
Director of Insurance

Consented to as to Form, Content, and Entry:

By:   
\_\_\_\_\_  
David Dallmer, President  
David Dallmer Public Adjusters, LLC  
Respondent

DATED: 7-30-15

By:   
\_\_\_\_\_  
David Dallmer  
Public Adjuster  
Respondent

DATED: 7-30-15

By: Sheryl Boski  
Sheryl Boski, Esq.  
Attorney for Respondents

DATED: 5 August 2015

JOHN J. HOFFMAN  
ACTING ATTORNEY GENERAL OF NEW JERSEY

DATED: 8/7/15

By: Gordon A. Queenan  
Gordon A. Queenan  
Deputy Attorney General  
Attorney for the Commissioner