

RECEIVED
INSURANCE DEPARTMENT

2008 NOV -6 AM 11:12

ADMIN HEARINGS OFFICE

BEFORE THE INSURANCE COMMISSIONER
OF THE
COMMONWEALTH OF PENNSYLVANIA

IN RE: : VIOLATIONS:
: :
SEBASTIAN HANSON, doing business as : Section 1606 of the Insurance
PRIME PUBLIC ADJUSTERS : Adjusters Act (63 P.S. § 1606)
132 Davis Lane :
North Wales, Pennsylvania 19454 :
: :
Respondents. : Docket No. C008-11-002

CONSENT ORDER

AND NOW, this 6th day of November, 2008, this Order is hereby
issued by the Insurance Department of the Commonwealth of Pennsylvania pursuant
to the statutes cited above and in disposition of the matter captioned above.

1. Respondents hereby admit and acknowledge that they have received proper
notice of their rights to a formal administrative hearing pursuant to the Administrative
Agency Law, 2 Pa.C.S.A. §101, et seq., or other applicable law.

2. Respondents hereby waive all rights to a formal administrative hearing in
this matter, and agree that this Consent Order, and the Findings of Fact and
Conclusions of Law contained herein, shall have the full force and effect of an Order
duly entered in accordance with the adjudicatory procedures set forth in the
Administrative Agency Law, supra, or other applicable law.

3. Respondents neither admit nor deny the Findings of Fact and Conclusions of Law contained herein.

FINDINGS OF FACT

4. The Insurance Department finds true and correct each of the following Findings of Fact:

- (a) Respondent is Sebastian Hanson, and maintains his residential address at 132 Davis Lane, North Wales, Pennsylvania 19454, doing business as Prime Public Adjusters, Inc. formerly located at 11-13 Strawberry Street, Philadelphia, Pennsylvania 19106.
- (b) At all relevant times herein, Hanson has been a licensed Public Adjuster, license number 137678, doing business as Prime Public Adjusters, Inc., a Public Adjuster agency, license number 24482.
- (c) Between September 2004 and January 2006, while employed at Prime Public Adjusters, Inc., Michael Patrick Graham adjusted twenty-two (22) separate State Farm insurance claims without being licensed by the Insurance Department to do so.

- (d) On April 27, 2007. Respondents entered into a contract with Mozelle McCullough ("McCullough") in the adjustment of her homeowners claim filed with the Allstate Insurance Company.
- (e) On July 25, 2007. Respondents signed McCullough's signature, cashed and kept the entire proceeds of the Allstate settlement check in the amount of \$3,468.88 without McCullough's permission.
- (f) On June 14, 2007. Respondents faxed The Notice of Claim and Notice of Representation to the Insurance Innovators, Inc. in regard to their representation of Trinja and Jamo Glover ("Glovers").
- (g) On November 28, 2007. Respondents cashed and kept the entire proceeds of the Insurance Innovators, Inc. check in the amount of \$3,238.55 without Glovers' permission.
- (h) In July 2007. Respondents entered into a contract to represent Claremont Entrepreneur LLC ("Claremont") in the adjustment of its insurance claim filed with the Markel International Insurance Company.
- (i) On February 6, 2008. Respondents signed W. Shira Meng's signature, President of Claremont, cashed and kept the entire proceeds of the Markel

International Insurance Company settlement check in the amount of \$10,000.00 without Claremont's permission.

(j) The Department received information from Daria Kachmar that Respondents failed to remit \$3,001.12 in settlement proceeds for a claim adjustment performed by Respondents.

(k) Respondents maintain that they have made a full restitution to McCullough and the Glovers.

CONCLUSIONS OF LAW

5. In accord with the above Findings of Fact and applicable provisions of law, the Insurance Department concludes and finds the following Conclusions of Law:

- (a) Respondents are subject to the jurisdiction of the Pennsylvania Insurance Department.
- (b) 63 P.S. §1606(d) states that any public adjuster or public adjuster solicitor employing, or using the services of, any person to solicit business shall be held fully responsible for the conduct of that person in connection with business dealings, including, but not limited to, making certain that such person has a valid license as a public adjuster or public adjuster solicitor.

(c) Respondents' activities in a paragraph 4(c) violate 63 P.S. §1606(d).

(d) 63 P.S. §1606(a)(5) states that the public adjuster's act of misrepresentation, conversion to his own use or improper withholding of moneys held on behalf of another party to the contract shall be grounds for fine, suspension or revocation of his public adjuster license.

(e) Respondents' activities in paragraphs 4(c), 4(g) and 4(i)-(j) violate 63 P.S. §1606(a)(5).

(f) 63 P.S. §1606(a)(10) states that the public adjuster's violation of any provision of this act or any rule or regulation promulgated, published and adopted thereunder shall be grounds for fine, suspension or revocation of his public adjuster license.

(g) Respondents' activities in paragraphs 4(c) through 4(i) violate 63 P.S. § 1606(a)(10).

(h) 63 P.S. §1606(a)(12) states that the public adjuster's fraudulent practices shall be grounds for fine, suspension or revocation of his public adjuster license.

(i) Respondents' activities in paragraphs 4(c), and 4(i)-(j) violate 63 P.S. §1606(a)(12).

(j) 63 P.S. §1606(a)(13) states that public adjuster's incompetency or untrustworthiness to transact the business of a public adjuster shall be grounds for fine, suspension or revocation of their public adjuster license.

(k) Respondents' activities in paragraphs 4(c) through 4(j) violate 63 P.S. §1606(a)(13).

(l) Respondents' violations of 63 P.S. § 1606(a) are punishable by a fine, suspension and revocation of licenses under 63 P.S. § 1606(a) and additionally under 63 P.S. § 1606(b) the Insurance Commissioner may impose a penalty of not more than \$1,000 for each and every violation of this Act.

ORDER

6. In accord with the above Findings of Fact and Conclusions of Law, the Insurance Department orders and Respondents consent to the following:

(a) Respondents shall cease and desist from engaging in the activities described herein in the Findings of Fact and Conclusions of Law.

(b) Respondents' insurance license(s) are hereby revoked for a period of two years as of the date of this order.

- (c) Before Respondents ever become re-licensed, Respondents must provide the Insurance Department with proof that the McCollugh, Glovers, Kachmar and Entrepreneur Claremont claims have been resolved.
- (d) Should Respondents ever become relicensed, Respondents' certificates and licenses may be immediately suspended by the Department following its investigation and determination that (i) penalty payment has not been made, or (ii) any other terms of this Order have not been complied with, or (iii) any complaint against Respondents is accurate and a statute or regulation has been violated. The Department's right to act under this section is limited to a period of five (5) years from the date of any such relicensure.
- e) Respondents specifically waive the right to prior notice of said suspension, but will be entitled to a hearing upon written request received by the Department no later than thirty (30) days after the date the Department mailed to Respondents by certified mail, return receipt requested, notification of said suspension, which hearing shall be scheduled for a date within sixty (60) days of the Department's receipt of Respondents' written request.
- (f) At the hearing referred to in paragraph 6(e) of this Order, Respondents shall have the burden of demonstrating that they are worthy of a license.

(g) In the event Respondents' certificates and licenses are suspended pursuant to paragraph 6(d) above, and Respondents either fail to request a hearing within thirty (30) days or at the hearing fails to demonstrate that they are worthy of a license, Respondents' suspended certificates and licenses shall be revoked.

7. In the event the Insurance Department finds that there has been a breach of any of the provisions of this Order, based upon the Findings of Fact and Conclusions of Law contained herein, it may, in its discretion, pursue any and all legal remedies available, including but not limited to the following: The Insurance Department may enforce the provisions of this Order in the Commonwealth Court of Pennsylvania or in any other court of law or equity having jurisdiction; or the Department may enforce the provisions of this Order in an administrative action pursuant to the Administrative Agency Law, supra, or other relevant provision of law.

8. Alternatively, in the event the Insurance Department finds that there has been a breach of any of the provisions of this Order, the Department may declare this Order to be null and void and, thereupon, reopen the entire matter for appropriate action pursuant to the Administrative Agency Law, supra, or other relevant provision of law.

9. In any such enforcement proceeding, Respondents may contest whether a breach of the provisions of this Order has occurred but may not contest the Findings of Fact and Conclusions of Law contained herein.

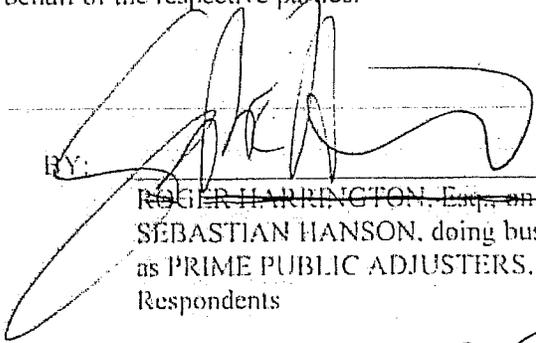
10. Respondents hereby expressly waive any relevant statute of limitations and application of the doctrine of laches for purposes of any enforcement of this Order.

11. This Order constitutes the entire agreement of the parties with respect to the matters referred to herein, and it may not be amended or modified except by an amended order signed by all the parties hereto.

12. This Order shall be final upon execution by the Insurance Department. Only the Insurance Commissioner or the duly authorized delegee is authorized to bind the Insurance Department with respect to the settlement of the alleged violation of law contained herein, and this Consent Order is not effective until executed by the Insurance Department or a duly authorized delegee.

13. The signatories hereto warrant that they have full force and authority to execute this consent order on behalf of the respective parties.

BY:


ROGER HARRINGTON, Esq., on behalf of
SEBASTIAN HANSON, doing business
as PRIME PUBLIC ADJUSTERS,
Respondents


RONALD A. GALLAGHER, JR.
Deputy Insurance Commissioner
Commonwealth of Pennsylvania