

accordance with the adjudicatory procedures set forth in the Administrative Agency Law, supra, or other applicable law.

FINDINGS OF FACT

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

- (a) Respondent is R. Michael Lazarchick, and maintains a record of his address with the Pennsylvania Insurance Department at 511 Reading Avenue, Unit 1, West Reading, PA 19611.
- (b) Respondent is, and at all times relevant hereto has been, a licensed resident public adjuster.
- (c) Co-Respondent is State Public Adjusting Company, and the entity maintains a record of its address with the Pennsylvania Insurance Department at 511 Reading Avenue, Unit 1, West Reading, PA 19611.
- (d) Co-Respondent held a resident public adjuster agency license that expired on September 13, 2013.

- (e) Co-Respondents acted as a public adjusting agency with an inactive license since September 13, 2013.
- (f) Respondents became aware of the licensing issue identified in finding 3(c) after a claim was submitted to State Farm Fire & Casualty Company. State Farm Fire & Casualty Company was unable to confirm the license status of State Public Adjusting Company and notified the PA Insurance Department on September 10, 2018.
- (g) Respondents submitted an application for new resident public adjuster agency license on January 23, 2019.
- (h) Co-Respondents received a new resident public adjuster agency license on January 31, 2019.

CONCLUSIONS OF LAW

4. 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(a)(10) states that public adjusters who violate any provisions of this act or any rule or regulation promulgated, published and adopted thereunder, shall be grounds for fine, suspension or revocation of a public adjuster license.
- (c) Respondent's activities in paragraph 3(e) violate 63 P.S. § 1606(a)(10) pursuant to 63 P.S. 1602(a).
- (d) 63 P.S. § 1606(a)(13) prohibits a public adjuster from demonstrating incompetence or untrustworthiness to transact the business of a public adjuster.
- (e) Respondents' activities in paragraphs 3(e) and 3(f) violate 63 P.S. § 1606(a)(13).
- (f) Respondent's violations of §§ 1606(a)(10) and(a)(13) are punishable by a fine, suspension and revocation of licenses under §1606(a) and the following, under 63 P.S. § 1606(b): the Insurance Commissioner may impose a penalty of not more than \$5,000 for every violation of this Act.

ORDER

5. 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 shall pay a civil penalty of Two Thousand Five Hundred Dollars (\$2,500.00) to the Commonwealth of Pennsylvania. Payment of this penalty shall be made by certified check or money order, payable to the Commonwealth of Pennsylvania. Payment should be directed to Bureau of Licensing and Enforcement, 1227 Strawberry Square, Harrisburg, Pennsylvania 17120. Payment may be enclosed with the Consent Order, but must be paid in any event no later than fourteen (14) days after the date of the Consent Order.

- (c) Respondents shall make restitution to the consumer in the amount of \$583.19 on or before fourteen (14) days after the date of the Consent Order. Respondent shall make restitution to persons other than the consumer if the Deputy Commissioner identifies such persons and determines that restitution is owed to them by Respondents. Proof of

restitution payment shall be provided to the Insurance Department by Respondents.

- (d) Respondents' licenses may be immediately suspended by the Department following its investigation and determination that (i) any terms of this Order have not been complied with, or (ii) any confirmed 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 this Order.
- (e) Respondents specifically waives their 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 Departments' receipt of Respondents' written request.
- (f) At the hearing referred to in paragraph 5(d) of this Order, Respondents shall have the burden of demonstrating that they are worthy of a license.
- (g) In the event Respondents' licenses are suspended pursuant to paragraph 5(c) above, and Respondents either fails to request a hearing within thirty

(30) days or at the hearing fails to demonstrate that they are worthy of a license, Respondents' suspended licenses shall be revoked.

6. 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, the Department may 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 provisions of law.

7. Alternatively, in the event the Insurance Department finds 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.

8. 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.

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

10. 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.

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

BY:



R. MICHAEL LAZARCHICK, individually
And on behalf of STATE PUBLIC ADJUSTING
COMPANY, Respondents

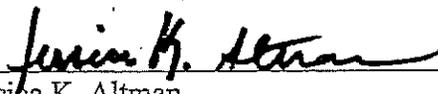


COMMONWEALTH OF PENNSYLVANIA
By: CHRISTOPHER R. MONAHAN
Deputy Insurance Commissioner

BEFORE THE INSURANCE COMMISSIONER
OF THE
COMMONWEALTH OF PENNSYLVANIA

IN RE: The Act of April 9, 1929, P.L. 177, No. 175, known as The
Administrative Code of 1929

AND NOW, this 28th day of March, 2018, Christopher R. Monahan,
Deputy Insurance Commissioner, is hereby designated as the Commissioner's duly
authorized representative for purposes of entering in and executing Consent Orders. This
delegation of authority shall continue in effect until otherwise terminated by a later Order
of the Insurance Commissioner.



Jessica K. Altman
Insurance Commissioner

