



Insurance Adjusters Licensing Act, 36 O.S. §§ 6201 *et seq.*; the Unauthorized Insurance Business Act, 36 O.S. §§ 6103.1 *et seq.*

### **ALLEGATIONS OF FACT**

1. Lester Young complained to the Oklahoma Insurance Department's Consumer Assistance Division that his mother, Erma Young was approached by Dennis who informed her that he was a public adjuster that could coordinate with FEMA and Erma Young's insurer to maximize her recovery for damage to her property caused by a wildfire. Dennis stated that his commission was Ten Percent (10%) of the claim settlement.

2. Erma Young entered into a contract with Dennis which included naming him as power of attorney. The heading on the first page of the contract states: "Edric Dennis Public Adjuster, Licensed and Bonded Public Adjuster, Oklahoma Department of Insurance # 40078548 (Exhibit A).

3. Lester Young became concerned that Dennis was taking advantage of his mother and complained to the Oklahoma Insurance Department. Investigation revealed that Dennis received his Oklahoma non-resident adjuster license by electronic application on February 2, 2009, but was not licensed as a non-resident public adjuster in Oklahoma.

4. In a telephonic interview on April 14, 2009, with Anti-Fraud Investigator Leslie Landwert, Dennis stated that he wrote three or four public adjuster contracts in the wild fire area. Landwert requested that Dennis fax those contracts to the Oklahoma Insurance Department.

5. Landwert received a fax from Dennis on April 15, 2009, which contained contracts for Herbert McConnell, Mary Williams and Erma Young. Landwert inquired as

to why Dennis failed to fax all the public adjuster contracts he had entered into with Oklahoma residents. Dennis then faxed contracts he had entered into with R. Dean Pennon and Mary Gloria Pennon and with Otto Young on April 17, 2009.

### **ALLEGED VIOLATIONS OF LAW**

1. Dennis' actions fall within the definition of "doing an insurance business in this State" 36 O.S. § 6103.2. The above-cited conduct is in violation of 36 O.S. §§ 6103.2 and 6103.3.

2. Dennis is acting as a public adjuster in the state of Oklahoma without proper licensure. Such conduct is a violation of 36 O.S. § 6220.8. Dennis failed to secure a surety bond in the amount of Ten Thousand Dollars (\$10,000.00) as required by all public adjusters pursuant to 36 O.S. § 6214. Such is a violation of 36 O.S. § 6220.8.

3. The alleged conduct is an immediate danger to the public or is causing or can be reasonably expected to cause significant, imminent and irreparable public injury.

### **RELIEF REQUESTED**

The Insurance Commissioner is requested to immediately without notice or hearing issue an Emergency Cease and Desist Order under authority of 36 O.S. § 6103.5 ordering Dennis and any agents, affiliates, employees, and other representatives, both current and successor, whether named or unnamed herein, to cease and desist from all activities related to doing unauthorized insurance business in this state, including:

1. The making of or proposing to make as an insurer an insurance contract;

2. The making of or proposing to make, as guarantor or surety, any contract of guaranty or suretyship as a vocation and not merely incidental to any other legitimate business or activity of the guarantor or surety;

3. The taking or receiving of any application for insurance;

4. Maintaining any agency or office where any acts in furtherance of an insurance business are transacted, including but not limited to:

a. execution of contracts of insurance with citizens of this or any other state,

b. maintaining files or records of contracts of insurance,

c. processing of claims, or

d. receiving or collection of any premiums, commissions, membership fees, assessments, dues or other consideration for any insurance or any part thereof;

5. The issuance or delivery of contracts of insurance to residents of this state or to persons authorized to do business in this state;

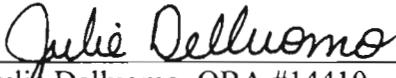
6. Directly or indirectly acting as an agent for, or otherwise representing or aiding on behalf of another, any person or insurer in:

a. solicitation, negotiation, procurement or effectuation of insurance or renewals thereof,

- b. dissemination of information as to coverage or rates, or forwarding of applications, or delivery of policies or contracts,
  - c. inspection of risks,
  - d. fixing of rates or investigation or adjustment of claims or losses,
  - e. transaction of matters subsequent to effectuation of the contract and arising out of it, or
  - f. in any other manner representing or assisting a person or insurer in the transaction of insurance with respect to subjects of insurance resident, located or to be performed in this state;
7. Contracting to provide indemnification or expense reimbursement in this state to persons domiciled in this state or for risks located in this state, whether as an insurer, agent, administrator, trust, funding mechanism, or by any other method;
8. The doing of any kind of insurance business specifically recognized as constituting the doing of an insurance business within the meaning of the statutes relating to insurance;
9. The doing or proposing to do any insurance business in substance equivalent to any of the foregoing in a manner designed to evade the provisions of the statutes; or
10. Any other transactions of business in this state by an insurer.

In addition, the Commissioner is requested, notwithstanding the above requested orders, to order Dennis to pay all unpaid claims and to order any further relief which may be deemed appropriate and which is authorized by law, whether or not specifically requested herein, consistent with 36 O.S. §§ 6103.1 et seq.

Respectfully submitted on this 28 day of April, 2009.

  
Julie Delluomo, OBA #14410  
Assistant General Counsel  
Oklahoma Department of Insurance  
P.O. Box 53408  
Oklahoma City, Oklahoma 73152-3408  
Telephone:(405) 521-2746  
Facsimile: (405) 522-0125

**CERTIFICATE OF MAILING**

I, Julie Delluomo hereby certify that a true and correct copy of the above and foregoing Application for Emergency Cease and Desist Order was mailed postage prepaid with return receipt requested on this 29<sup>th</sup> day of April 2009 to:

Edric Deshon Dennis  
7518 Heron Lakes Drive  
Houston, TX 77064

Certified No. 7006 0810 0002 6164 2324

and a copy was delivered to:

Russell Valleroy  
Director, OID Agents Licensing Division

Leah Scoles  
Agents Licensing Division

Sandra Simms  
Agents Licensing Division

Rick Wagnon  
Director, OID Anti-Fraud Division

  
Julie Delluomo  
Julie Delluomo

**Edric Dennis Public Adjuster  
Licensed and Bonded Public Adjuster  
Oklahoma Department of Insurance # 40078548  
20333 State Highway 249, Suite 200 Houston, TX 77070  
Office 281-378-1599  
↘ Alternate 281-898-0712  
onlyadjusting@gmail.com**

Engagement agreement for Public Adjusters Services.  
Letter of Representation and Notice of assignment

**"This contract may be cancelled within three (3) days after the owner of the  
damaged property has signed this agreement"**

Date of Loss 4-9-09

Insured Name Erma Gene Young 580-856-3837

Property Address Box 299 Rotliff City OK 73481

Covered Caused of Loss Fire

Insurance Company American Western Home Ins - Wayne Wood Agency  
580-229-0851

Policy No 0785205829264 Claim No. \_\_\_\_\_

I/ We hereby retain Edric Dennis, Public Adjuster, to be my/our legal agent and representative to adjust, appraise, advise and assist in the settlement of the insurance claim referenced above.

You are instructed to negotiate with Edric Dennis, concerning the insurance claim for damages sustained at the address referenced above.

I grant Edric Dennis, a limited Power of Attorney to represent me at all Mediation/ Appraisal/ Arbitration proceedings, and further authorize Edric Dennis to execute any and all Mediation/ Appraisal/ And Arbitration agreements on my behalf.

I have assigned a portion of my claim settlement proceeds of 10% not to exceed 10% of the payments paid by the insurance company. As part of the agreement, I/We instruct you to recognize Edric Dennis, licensed Public Adjuster, contractual assignee rights as a payee under this agreement.



## Notice of Agreement

- A. The agreement is to represent the insured only
- B. You are entering a service contract and being charged a fee for this service. You do not have to enter this contract to make a claim for loss or damage on a policy of insurance.

If the insurance carrier pays or commits in writing to pay to the insured the policy limits of the insurance policy in accordance with Insurance Code Article 6.13 or 862.053 within 72 hours of the loss being reported to the insurer, the Public Insurance Adjuster is not entitled to compensation based on a percentage of the insurance settlement, but is entitled to reasonable compensation for the Insurance Adjusters time and expenses provided to the insured before the claim was paid or the written commitment to pay was received.

### Notice:

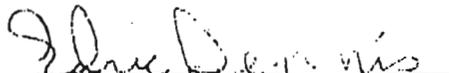
A Public Insurance Adjuster may not participate directly or indirectly in the reconstruction, repair or restoration of damaged property that is the subject of a claim adjusted by the Public Insurance Adjuster or engage in any other activities that may reasonably be construed as presenting a conflict of interest, including soliciting or accepting any remuneration from, or having financial interest in, any salvage firm, repair firm, or other firm that obtains business in connection with any claim the Public Insurance Adjuster has a contract or agreement to adjust.

### Important Notice:

"You may contact the Oklahoma Department of Insurance or obtain information on Public Insurance Adjusters, your rights and complaints at 1-800-522-0071 or you may write the Oklahoma Department of Insurance at 2401 NW 23 STREET, SUITE 28 P.O. BOX 53408 OKLAHOMA CITY, OK 73152-3408 or Fax # (405) 521-6652."

### Accepted by:

  
Client (Insured) Signature  
Date signed 4-14-09  
Time signed 7:35  
Place of execution Home

  
Edric Dennis- Public Adjuster  
Oklahoma License #40078548