

**PRIVILEGED AND CONFIDENTIAL – WITHOUT PREJUDICE**

VIA EMAIL: [garnold@oci.ga.gov](mailto:garnold@oci.ga.gov)

August 19, 2019

Insurance Commissioner, State of Georgia  
Seventh Floor, West Tower  
2 Martin Luther King Jr., Drive  
Atlanta, GA 30334

ATTN: Agent Jones

RE: **Internal Administrative Referral**

**Case No.:** 20191000467

Nature of Complaint: Referral to Include Insurer, Third-Party Administrator, and Independent Adjuster  
Complainant: Selita Boyd/Eloise Boyd  
6841 Cavalier Court  
Stone Mountain, GA 30087

Insured: G B Restoration Services, LLC dba Servpro of Stone Mountain/Clarkston  
Insurer: Restoration Risk Retention Group, Inc. (RRRG)  
Third Party Administrator: Cannon Cochran Management Services Inc. (CCMSI)  
Independent Adjuster: Frontier Adjusters, Mr. Lawson Thompson  
Compliance Consultant: Carl O. Ayestas, Jr.  
NAIC Code: 12209  
Policy #: RGL111570 - Liability Insurance  
Policy Dates: 7/25/14 – 7/25/15  
TPA Claim #: 15F05F025848

Dear Ms. Jones,

This letter is a response to the correspondence received by your office on June 28, 2019, and serves as a respectful demand with the details set forth below to revise the administrative referral to include *all* of the following parties to the Criminal Investigations Division:

- (1) **Insurer** - Restoration Risk Retention Group, Inc. (“**RRRG**”)
- (2) **Third-Party Administrator** (TPA) - Cannon Cochran Management Services, Inc. (“**CCMSI**”)
- (3) **Independent Adjuster** (IA) - Frontier Adjusters, Mr. Lawson Thompson (“**Frontier Adjusters**”)

**RRRG, CCMSI, and Frontier are all subject to Title 33 provisions of the Georgia Code<sup>1</sup>**

- A.** RRRG, the insurer of said policy, is a risk retention group based in Burlington, Vermont doing business in the state of Georgia and must observe and abide by the laws of this state (O.C.G.A. § 33-40-4)
  - (1) RRRG and its representatives shall comply with Chapter 6 (Unfair Trade Practices) of this title and all rules and regulations promulgated pursuant to such chapter (O.C.G.A. § 33-40-6)
- B.** CCMSI, a third-party administrator, is a representative of RRRG; thus, shall comply with chapter 6 of this title
  - (1) CCMSI is a business entity that adjusts or settles claims, including investigating or examining claims

---

<sup>1</sup> Propose verification of proper licenses and bonding; Contracts between all parties

**PRIVILEGED AND CONFIDENTIAL – WITHOUT PREJUDICE**

- (2) Each activity undertaken by CCMSI on behalf of the insurer (RRRG) is considered a transaction and is subject to the provisions of this title (O.C.G.A 33-23-100)
- C. Frontier, an independent adjuster, is a representative of RRRG and CCMSI; thus, shall comply with chapter 6 of this title
- (1) Frontier represents the interest of the insurer, RRRG, as defined by O.C.G.A 33-23-1(a)(8)
- (2) Each activity undertaken by Frontier, the client of the administrator(CCMSI), is considered a transaction and is subject to the provisions of this title (O.C.G.A 33-23-100)

It is established by law that RRRG, CCMSI, and Frontier are subject to Georgia Code provisions of Title 33 and specifically Chapter 6 Unfair Trade Practices.

**RRRG, CCMSI, and Frontier are all liable for unfair trade practices and must be submitted for internal administrative referral**

- A. RRRG hired CCMSI as the Third Party Administrator to handle the Complainant's claim (Stated in CCMSI's emails to the Commissioner's office dated 2/14/2019, 3/14/2019, and 5/29/2019)
1. RRRG is contractually obligated to CCMSI and vice versa
  2. RRRG is liable for the actions of CCMSI and Frontier
    - An insurer utilizing the services of a TPA is responsible for the acts of the TPA (NAIC Guidelines for TPAs Section 7.C); hence, RRRG is responsible for the acts of CCMSI
    - As defined by Georgia Law O.C.G.A 33-23-1(a)(8), Frontier Adjusters represents the interest of the insurer, RRRG; hence, RRRG is responsible for the acts of Frontier
    - CCMSI and Frontier Adjusters egregiously allowed unfair and deceptive acts to exist and persist which caused harmed to the Complainants
      - See Exhibit 6 showing Frontier Adjuster's forged authorization; nonetheless, CCMSI condoned Frontier Adjuster's illegal act of forgery in its statements to the Commissioner's office and did nothing when presented with the evidence from the Complainants
      - See Exhibit 11 showing emails sent by both Frontier Adjusters and CCMSI stating a misleading DOL of 2/12/2017 even after the date of an alleged denial letter dated 6/18/2017 stating a DOL as 2/12/2015
      - See deceptive act of false statements; CCMSI and Frontier Adjusters sent three correspondences to the Commissioner's office on 2/14/2019, 3/14/2019, and 5/29/2019 crafting a "2nd leak" false theory which was made-up and untrue. In the third correspondence, CCMSI and Frontier Adjusters stated they had not received any clear evidence that there was **not** a "2nd leak" at the property; in other words, wanting Complainants to prove their "2nd leak" false theory they conjured up. CCMSI and Frontier Adjusters refused to settle the Complainant's claim on the need to inspect the home based on their fabricated "2nd leak" false theory
      - CCMSI and Frontier Adjusters issued a correspondence stating should "company" wish to settle then inspection is mandatory; immediately thereafter, sent a mandatory inspection letter but nothing regarding settlement of Complainants' claim (See Exhibit 25)
    - RRRG had ultimate control and authority over the actions of CCMSI and Frontier
    - RRRG had ultimate control and authority to deny or settle the Complainants' claim
- B. CCMSI hired Frontier Adjusters to assist in the investigation of Complainants' claim (Stated in CCMSI's emails to the Commissioner's office dated 2/14/2019, 3/14/2019, and 5/29/2019).
1. CCMSI is contractually obligated to Frontier Adjusters and vice versa
    - Frontier Adjusters **represents** CCMSI for the insured

**PRIVILEGED AND CONFIDENTIAL – WITHOUT PREJUDICE**

(Stated in Frontier Adjusters' Lawson Thompson's letter dated June 6, 2019)

- Frontier Adjusters was referred to the Criminal Investigations Division for its actions
2. CCMSI is the plan administrator and liable for the actions of its adjuster, Frontier
- CCMSI controlled Frontier Adjusters' actions
  - Frontier Adjusters could not have performed **any** actions related to Complainants' claim without CCMSI's **involvement** and authorization
  - CCMSI retained the authority regarding all actions in the handling of the Complainants' claim
  - CCMSI retained the power and control to deny or settle Complainants' claim

RRRG, CCMSI, and Frontier are 1) affiliated, 2) joint ventures in the business of insurance, 3) liable for torts committed in the course of handling Complainant's claim, and 4) inseparable; and therefore, must be referred to the Criminal Investigations Division Case 20191000467 with each party's incorporated state Commissioner's office notified of the ongoing criminal investigation.

Regards,



Selita Boyd