

IN THE MATTER OF THE  
MARYLAND INSURANCE  
ADMINISTRATION

CASE NO. : MIA- 2016-11-035

v.

Maryland Building Corporation  
(Roofs4Less.com)  
C/O Resident Agent Jeffrey Kroneberger  
400 Symphony Circle, Suite 33  
Hunt Valley, MD 21030

Fraud Division File No.: R-2017-0165A

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**CONSENT ORDER**

The Maryland Insurance Administration (“Administration”) enters this Order with the consent of Maryland Building Corporation (doing business as Roofs4Less.com) (“Respondent”), pursuant to §§ 2-108, 2-204, 2-405, and 10-403(a) of the Insurance Article, Md. Code Ann. (2011 Repl. Vol. & Supp.)(“the Insurance Article”), and any other applicable sections, as follows:

**I. Explanatory Statement & Findings of Fact**

1. Maryland Building Corporation is an incorporated business with its principal office in Hunt Valley, Maryland. Roofs4Less is a division of Maryland Building Corporation.
2. In July 2016, a homeowner who resides in Howard County, Maryland received a flyer from Roofs4Less.com, which contained the following language:

*We are Insurance Remediation Specialists and are currently replacing many roofs and siding in the area paid for by the insurance company due to wind and/or hail damage.*

*We will represent your claim to the insurance company at no cost to you.*

3. This flyer and the promises made therein were brought to the attention of the Administration, which opened an investigation.

4. The Administration's investigation concluded that Respondent is a Maryland-licensed home improvement contractor and is an incorporated business in good standing. The Administration's investigation further concluded that Respondent is not a licensed public insurance adjuster in Maryland.

5. The Administration confirmed that Respondent had circulated this flyer after a storm that took place on July 21, 2016, and that the flyer was sent to certain Maryland residents via U.S. mail.

## **II. Provisions of Law**

6. The following provisions of law are relevant to the Administration's inquiry. Pursuant to § 2-204(b)(2), the failure to designate a particular provision of the article in this Order does not deprive the Commissioner of the right to rely on that provision.

**Section 10-401(d)** of the Insurance Article provides as follows:

(d)(1) "Public adjuster" means a person that:

- (i) solicits business or represents itself to the public as an adjuster of first party insurance claims for losses or damages arising under insurance contracts that insure the real or personal property, or both, of an insured;
- (ii) receives compensation for investigating, appraising, evaluating, or otherwise giving advice or help to an insured in the adjustment of claims for losses or damages arising under insurance contracts that insure the real or personal property, or both, of an insured; or
- (iii) for compensation, directly or indirectly, solicits business, investigates or adjusts losses, or advises an insured about insurance claims for losses or damages arising under insurance contracts that insure the real or personal property, or both, of an insured for another person engaged in the business of adjusting losses or damages arising under insurance contracts that insure the real or personal property, or both, of an insured.

**Section 10-403(a)** of the Insurance Article provides as follows:

- (a) Except as otherwise provided in this subtitle, a person must obtain a license before the person acts as a public adjuster in the State.

**Section 27-404(a)(1)** of the Insurance Article provides as follows:

(a) It is a fraudulent insurance act for a person to act as or represent to the public that the person is:

(1) an insurance producer or a public adjuster in the State if the person has not received the appropriate license under or otherwise complied with Title 10 of this article

7. A Public Adjuster is an insurance claim adjuster who acts as an advocate for a policyholder in appraising and negotiating a first party property insurance claim. Public adjusters must be licensed by the Administration. Public adjusters act as the insured's representative in dealings with the insurance company.

8. By promising that the company "will represent [the insured's] claim to the insurance company" and declaring itself an "insurance remediation specialist," Respondent held itself out as authorized to act as an adjuster, despite lacking any such authority. Respondent's conduct violated § 27-405(a) of the Insurance Article.

9. The parties agree to this Order to avoid litigation and to fully and finally resolve all issues stated in the Initial Order. Respondent admits to the conduct described above, but denies any liability to any party as a result of its actions.

#### Order

WHEREFORE, for the reasons set forth above, it is this 21<sup>st</sup> day of November, 2016, ORDERED by the Maryland Insurance Commissioner and CONSENTED to by Respondent that:

A. Respondent agrees to refrain from using the flyer containing the language cited above, and to destroy any remaining stock of this flyer and any other advertisements containing this or similar language.

B. Respondent agrees to refrain from undertaking any future advertisements or marketing campaigns that promise to represent an insured homeowner's claim to an insurance company, or

that otherwise represent Respondent as authorized to conduct public adjuster services in conjunction with home repairs.

C. Respondent agrees to provide written notice to the Administration within 60 days of the date of this Consent Order indicating that the remaining stock of this flyer has been destroyed and that no advertisements containing the prohibited language are in use.

D. The executed Consent Order and notice of compliance shall be sent to the attention of: Maryland Insurance Administration, Associate Commissioner, Fraud Division, 200 St. Paul Place, Suite 2700, Baltimore, MD 21202.

E. The parties acknowledge that this Order contains the entire agreement between the parties relating to the administrative actions addressed herein and that this Order resolves all matters relating to the factual assertions and agreements contained herein. All time frames set forth in this Order may be amended or modified only by subsequent written agreement of the parties.

F. Respondent has had the opportunity to have this Order reviewed by legal counsel of their choosing, and are aware of the benefits gained and obligations incurred by the execution of the Order. Respondent waive any and all rights to any hearing or judicial review of this Order to which it would otherwise be entitled under the Insurance Article with respect to any of the determinations made or actions ordered by this Order.

G. For the purposes of the Administration and for any subsequent administrative or civil proceedings concerning Respondent, whether related or unrelated to the foregoing paragraphs, and with regard to requests for information about the Respondent made under the Maryland Public Information Act, or properly made by governmental agencies, this Order will be kept and maintained in the regular course of business by the Administration. For the purposes of the

business of the Administration, the records and publications of the Administration will reflect this Order.

H. Nothing herein shall be deemed a waiver of the Commissioner's right to proceed in an administrative action or civil action to enforce the terms of this Order. Failure to fully comply with the terms of this Order may subject Respondent to further legal and/or administrative action.

I. This Order shall be effect upon signing by the Commissioner or his designee, and is a Final Order of the Commissioner under § 2-204 of the Insurance Article.

**ALFRED W. REDMER, JR.**  
**INSURANCE COMMISSIONER**

By:

signature on original

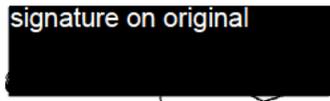
Steve Wright, Associate Commissioner  
Insurance Fraud Division

**RESPONDENTS' CONSENT**

Respondent Maryland Building Corporation CONSENTS to the representations made in, and terms of, this Consent Order. On behalf of Respondent, the undersigned hereby affirms that he or she has taken all necessary steps to obtain the authority to bind Respondents to the obligations stated herein and does, in fact, have the authority to bind Respondents to the obligations stated herein.

11/11/2016

Date

signature on original  


Authorized Signatory

President

Title