

MARYLAND INSURANCE
ADMINISTRATION

* CASE NO.: MIA-2021-02-021

* CASE NO.: MIA-2021-02-022

v.

*

CORNERSTONE BUILDING &
RESTORATION, LLC

* FRAUD DIVISION NO.:

R-2020-2190A

and

* R-2020-2191A

R-2020-2192A

DAVID DALLMER

* R-2020-3065A

R-2020-2994A

* R-2018-3570A

* * * * *

CONSENT ORDER

This Consent Order (“Order”) is issued by the Maryland Insurance Administration (the “Administration”) with the consent of Cornerstone Building & Restoration, LLC (“Cornerstone” or “Respondent”), pursuant to §§ 2-108, 2-204, 2-405 and 10-403(a) of the Insurance Article, Md. Code Ann. (2017 Repl. Vol. & Supp.) (“the Insurance Article”).

I. Background

1. On February 17, 2021, the Administration issued an Order against Respondent.
2. On February 26, 2021, Respondent timely requested a hearing, which has not been scheduled.
3. Respondent disputes and denies many of the Administration’s findings and conclusions of law contained in the initial Order, but wishes to resolve these matters amicably through this Consent Order.

II. Findings

4. Cornerstone is a business incorporated in the Commonwealth of Virginia that is licensed as a home improvement company by the Maryland Home Improvement Commission

(Registration No. 110064). Cornerstone is not now, and has never been, licensed to act as a public adjuster in Maryland.

The Travelers Claims

5. The Administration determined that during 2018 and 2019, Travelers Insurance Company (“Travelers”) investigated three first party property damage claims in which Cornerstone and Dallmer acted for three Maryland homeowners (referred to individually as “HO-1,” “HO-2,” and “HO-3” and, collectively, as the “Travelers Insureds”) whose homes were insured under a homeowners’ insurance policy issued in Maryland by Travelers (each, a “Travelers Policy”).

6. The Administration found that during that time period, each Travelers Insured initiated a claim under their respective Travelers Policy by notifying Travelers that their insured home had sustained storm damage. In response to each notice, Travelers opened a claim file to investigate the asserted loss (the “Travelers Claims”).

7. The Administration determined that with respect to each Travelers Claim, the Travelers Insured submitted an estimate of repair prepared by Cornerstone. Travelers disputed and rejected each Cornerstone estimate in each of the Travelers Claims.

8. The Administration found that in response, in each Travelers Claim, Cornerstone and/or the appraiser prepared a letter (hereinafter the “Dallmer Letters”) that was signed by the Travelers Insured and sent to Travelers. Each of the Dallmer Letters stated:

This letter is to notify you that we strongly disagree with the amount of loss you have calculated on the above referenced loss. As a result of our inability to reach an agreeable settlement on the "amount of loss", [sic] we hereby invoke the appraisal clause, in writing, per our policy. This written demand is to advise you that this appraisal will include the "amount of loss"...

We have selected Insurance [sic] David Dallmer - Property Damage Consultant as our appraiser. They [sic] can be reached at; ***

9. The Administration found that the appraisal clause in each Travelers Policy stated:

If you and we fail to agree on the amount of loss, either one can demand that the amount of loss be set by appraisal. If either makes a written demand for appraisal, each shall select a competent, independent appraiser and notify the other of the appraiser's identity within 20 days of receipt of the written demand. The two appraisers shall then select a competent, impartial umpire. If the two appraisers are unable to agree upon an umpire within 15 days, you or we can ask a judge of a court of record in the state where the residence premise is located to select an umpire. The appraisers shall then set the amount of loss. If the appraisers submit a written report of an agreement to us, the amount agreed upon shall be the amount of the loss. If the appraisers fail to agree within a reasonable time, they shall submit their differences to the umpire. Written agreement signed by any two of these three shall set the amount of the loss. Each appraiser shall be paid by the party selecting that appraiser. Other expenses of the appraisal and the compensation of the umpire shall be paid equally by you and us.

10. The Administration found that on April 25, 2019, a Cornerstone representative sent an email to Travelers in connection with HO-3's Travelers Claim, which stated:

We are the signed [*sic*] general contractor for [HO-3] hired to complete the repairs for this claim and assist in the process. Attached you will find our supplemental estimate **on behalf of the insured**. Also attached are additional documents to support our case. Please contact me below with any questions at your earliest convenience so we can settle this matter. We are attaching the eagle view report as well, as your measurements are short and eagle view has been the standard in this industry for years.

(Emphasis added).

11. The Administration determined that on August 31, 2019, Dallmer prepared a damage assessment report (the HO-3 Estimate) in which he identified himself as the "estimator," and "Claim Rep." for HO-3.

12. The Administration found that on September 3, 2019, Dallmer emailed the HO-3 Estimate to the appraiser who had been hired to represent Travelers with respect to HO-3's Travelers Claim. The email stated:

I have completed and attached my appraisal estimate based on our inspection and the scope of work that was completed. Please review and if in agreement we can sign the award and close this one out. Please let me know if you have any questions.

The HO-3 Estimate stated:

The following damage assessment is created utilizing Xactimate estimating software that is standard for the insurance industry. The adjuster creating this assessment is not a licensed contractor and is not proposing to complete the repairs to your home. This assessment is being created from a claim adjuster's perspective.

13. The Administration determined that on September 13, 2019, Dallmer signed an "Appraisal Award" related to HO-3's Travelers Claim, which stated:

We, the undersigned, pursuant to our appointment as appraisers and umpire in the appraisal of the loss property belonging to [HO-3] ...

WE DO HEREBY CERTIFY that we truly and conscientiously performed the duties assigned to us in the Appraisal involving Travelers Insurance Company's policy of insurance to [HO-3], the insured.

WE DO HEREBY CERTIFY that we have heard and seen all of the evidence offered by both the insured and the insurer and have appraised and determined the actual cash value, replacement value, and amount of loss as follows...

14. The Administration found that on October 9, 2019, Dallmer signed a document entitled "Award" identifying HO-1 as the insured, which stated:

We have carefully examined the premises and remains of the property herein before specified, in accordance with the forgoing appointment, and have determined the value and loss to be as follows...

The Award was emailed to Travelers on October 13, 2019.

15. The Administration found that Travelers referred the three Travelers Claims to its Special Investigations Unit ("SIU") for investigation given the amount of Cornerstone's appraisal, as well as suspicions that Cornerstone was acting as a public adjuster without the requisite license.

16. The Administration determined that on November 6, 2019, a Travelers' investigator spoke with Dallmer, who stated that he had been hired by the insured to do appraisal work. Dallmer refused to disclose to Travelers who was paying for his services.

17. The Administration found that on November 12, 2019, a Cornerstone representative sent an email to Travelers advising Travelers that Cornerstone had completed repair work for HO-1 and requested a release of the depreciation to HO-1 so that HO-1 could make a final payment to Cornerstone.

18. Travelers, based on the foregoing facts, concluded that Respondents may have committed insurance fraud. Consequently, Travelers referred the matter to the Fraud Division of the Administration as potential fraud.

19. The Administration opened an investigation into the conduct of Respondents, including whether Respondents paid homeowners insurance policy deductibles in exchange for placing a sign in the homeowner's yard.

20. The Administration interviewed HO-1, HO-2 and HO-3. Each acknowledged filing a claim with Travelers, and advised the Administration that Cornerstone had prepared an estimate. They also each confirmed that Cornerstone had prepared the Dallmer Letter signed by each of them and sent to Travelers identifying Dallmer as their "Property Damage Consultant."

21. During its investigation, the Administration reviewed a copy of an email sent to Administration by a Cornerstone representative to which the Dallmer letter was attached. The email from a Cornerstone representative to HO-2 stated:

Attached to this email is your appraisal request form that we will want to submit to Travelers. Since Travelers was unwilling to negotiate on the charges we were required by 2015 IRC Building Codes, we are pursuing the approval of these items using the appraisal process. I had previously emailed you our estimate for the full scope of the work (all supporting code/labor documents were attached) so that you could review everything and be fully in the loop. The usual outcome of these appraisals will be for your claim RCV to be settled somewhere in between Travelers and Cornerstones proposed estimates. Since the Insurance and us are using Xactimate as our estimating software, we have no control over the price of specific line items. We can only control the units in which these charges are measured (Square feet, Linear Feet, Labor Hours, Etc.)

At the end of the day **Mr. David Dallmer, and Travelers appointed appraiser will meet at your property to come to a settlement**, which they will then release to you with your final payment. Submitting the form is quite easy, and I will break down the steps you will want to follow to send it to the Travelers claims department.

1) You will want to save the appraisal request form to your computer. Then you will want to sign, date, and re-save the document.

2) You will want to submit the appraisal request form to: NCCenter@Travelers.com Make sure ONLY your claim number is in the subject line: IDR5987001H

3) You will want to copy and paste the statement below asking Travelers to acknowledge your request. Also you will be requesting the communications are in writing (keeps the process moving much faster as phone conversations can be unproductive and have no paper trail).

4) Sign your name, Attach the signed request and submit to NCCenter@travelers.com. That will initiate the process and from there **Mr. Dallmer will handle everything directly with Travelers.** (he will provide us weekly updates by text/email until settlement).

(Emphasis added).

Dear Travelers Insurance

This email is to serve as my written request to exercise my right to appraisal for claim #***. Attached to this email is my signed appraisal request form, and a signed copy of our General Contractor estimate we hired to handle the project. I would prefer that all communication regarding my claim from today moving forward would be in either an email or paper mail format. Please acknowledge my request and respond with your appointed appraiser as soon as possible.

22. In the course of its investigation, the Administration reviewed a copy of HO-2's written contract (a "Cornerstone Form Contract") that he had entered into with Cornerstone on June 21, 2019. The document stated:

I/We agree to retain Cornerstone Building & Restoration LLC to represent me/us in obtaining, my/our insurance company's approval to do replacement of (i.e., roofing, siding, gutters, etc.) and/or replace on the property listed above.

Cornerstone Building & Restoration LLC is empowered to contact my/our insurance carrier and meet my/our adjustor/representative to discuss damages and

replacement work to be done to the property in order to negotiate the payment as in the amount of damage to the property.

Upon insurance carriers and Cornerstone Building & Restoration LLC, agreement to the extent of damages and cost of replacing (i.e., roofing, siding, gutters, etc.) Cornerstone Building & Restoration LLC may begin on the above said property.

I/We agree for my insurance company to pay Cornerstone Building & Restoration LLC, for the total cost of repairs. All checks must be endorsed or made payable to Cornerstone Building & Restoration LLC.

23. The Administration found that Cornerstone had offered to cover HO-2's insurance deductible by paying HO-2 an amount equal to the deductible for advertising. HO-2 entered into a written contract with Cornerstone in which Cornerstone agreed to pay him \$1,500.00 (the exact amount of HO-2's deductible) for advertisement rights that allowed Cornerstone to place a sign in his yard for 30 days. HO-2 provided the MIA with a copy of the Cornerstone advertisement contract (the "Cornerstone Form Advertising Contract") that he entered into with Cornerstone dated July 11, 2019, which stated:

\$1,500 – to homeowner in advertisement rights with a sign in yard for 30 days upon settlement of appraisal between Cornerstone and Travelers \$350 – to homeowner for each sold referral resulting in roof replacement.

24. The Administration found that Cornerstone had made similar offers to HO-1 and HO-3 to cover their insurance deductibles.

25. The Administration identified another homeowner (hereinafter "HO-4") who was insured under a homeowners' policy issued in Maryland by Travelers and who submitted a claim for damage under that policy to Travelers in 2019.

26. During an interview with the Administration, HO-4 reported that a Cornerstone representative had guided him in the process of invoking the appraisal clause in his Travelers Policy and that Cornerstone had told him that Dallmer would represent him (HO-4) in the

appraisal process and that Dallmer's services would be provided at no cost to the HO-4. HO-4 confirmed that he did not pay Dallmer for his services.

27. The Administration found that Cornerstone had represented to the HO-4 that his insurance rates would not be affected.

28. HO-4 provided the following email dated June 20, 2019, which was sent to him by Dallmer:

I have scheduled an inspection date with the insurance company appraiser. We are scheduled to meet at your residence on Monday June 24th at 11am to inspect the property. Please make arrangements for us to be able to access the interior of the home to see the damaged areas. It is my understanding that all other areas are exterior. We should only need about 15 minutes for the interior and then we can do our exterior inspection thereafter...

29. The Administration found that HO-4 also signed a Dallmer Letter for submission to Travelers in accordance with his Travelers claim, which stated:

This letter is to notify you that as a result of the inability to reach an agreeable settlement on the "amount of loss" on the above referenced claim the appraisal clause is hereby invoked. This written demand is to advise you that this appraisal will include the "amount of loss" for... David Dallmer has been selected as my appraiser. He can be reached at... Your prompt attention to this matter is appreciated. Please notify myself as well as my appraiser, as to whom you will be naming as your appraiser...

The Nationwide Claims

30. Nationwide Insurance Company ("Nationwide") is an insurer authorized to issue property and casualty insurance policies in Maryland. Nationwide identified activities by Cornerstone and Dallmer similar to those observed by Travelers in connection with two homeowners' insurance policy claim (the "Nationwide Claims") made under two policies of homeowners' insurance issued by Nationwide (the "Nationwide Policies") to two Maryland homeowners (individually, "HO-5" and "HO-6" and, collectively, the "Nationwide Insureds").

31. The Administration determined that on November 27, 2018, Cornerstone contacted Nationwide and reported that HO-5's home had sustained storm damage.

32. The Administration found that on January 2, 2020, a representative from Cornerstone sent an email to Nationwide, which stated:

We are the signed general contractor hired by the insured – [HO-5] to complete the repairs, supervise the trades, and assist with estimating and supplementing. Attached is our supplemental estimate, please review this and let us know what you can do to work out the difference of line items and price to avoid the homeowner having any out of pocket costs. Also attached are code documentation to support our estimate. Please get back to me...

33. The Administration determined that in response to the aforementioned email, a Nationwide representative replied:

Please be advised I have received your repair estimate for [HO-5] for \$35,917.60. Please note this is not an approved estimate and the additional cost of repairs in excess of my repair estimate will not be considered for additional payment. There are contractors in the area that regularly perform the repairs per our estimate. In addition, there are contractors that are part of the On Your Side Repair Network that can make repairs based on my estimate. I have advised [HO-5] of the same.

34. The Administration found that on January 4, 2020, HO-5 sent an email to Nationwide, which stated, [P]lease see my attached appraisal demand letter as per my policy, [P]lease respond with your named appraiser as soon as possible. A Dallmer Letter, dated January 10, 2020, signed by HO-5, was attached to the January 4 e-mail. The Nationwide HO-5 Dallmer Letter stated:

This letter is to notify you that we strongly disagree with the amount of loss you have calculated on the above referenced loss. As a result of our inability to reach an agreeable settlement on the "amount of loss", [sic] we hereby invoke the appraisal clause, in writing, per our policy. This written demand is to advise you that this appraisal will include the "amount of loss"...

We have selected Insurance [sic] David Dallmer - Property Damage Consultant as our appraiser. They [sic] can be reached at; ***

35. The Administration determined that the Nationwide Policy contained an appraisal clause that stated:

If you and we fail to agree on the amount of loss, either may demand an appraisal of the loss. In this event, each party will choose a competent and impartial appraiser within 20 days after receiving a written request from the other. The two appraisers will choose an umpire. If they cannot agree upon an umpire within 15 days, you or we may request that the choice be made by a judge of a court of record in the state where the "residence premises" is located. The appraisers will separately set the amount of loss. If the appraisers submit a written report of an agreement to us, the amount agreed upon will be the amount of loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will set the amount of loss.

36. The Administration found that on January 8, 2020, Dallmer sent an email to the appraiser hired to represent Nationwide, which stated:

I have not yet received paperwork from my client [HO-5]. I will reach out to you once I receive all the information. I will provide a list of umpires as well. Thank you. I'll be in touch soon.

37. The Administration found that on March 6, 2020, Dallmer prepared an appraisal estimate report (the "HO-5 Estimate) in which he identified himself as the "estimator," and "Claim Rep." for HO-5. Dallmer emailed the HO-5 Estimate to the Nationwide appraiser.

38. The Administration determined that Nationwide discovered that the Delaware project manager for Cornerstone and others were fined by the Delaware Department of Insurance for operating as a public adjuster without a license.

39. Nationwide thereafter referred HO-5 Nationwide Claim to the Insurance Fraud Division of the Administration, under Section 27-802(a)(1) of the Insurance Article as potential insurance fraud.

40. The Administration found HO-5's contract with Cornerstone included the same language included in the written contract between HO-2 and Cornerstone quoted in Paragraph 23 of this Order. The HO-5 Nationwide Policy had a \$1,000.00 deductible. Contained within the written contract between HO-5 and Cornerstone was a stipulation that Cornerstone would credit HO-5

the amount of \$750.00 for, “sign in the yard for 30 days,” plus a “finder’s fee.” Further, handwritten on the contract was the following:

Cornerstone “to provide an estimate for gutter replacement (for homeowner to think about) Try to get gutters approved as a supplement prior to generating estimate for homeowner.”

41. The Administration found that HO-5 confirmed that the Dallmer Letter was prepared by Cornerstone and given to her to sign.

42. Nationwide also made a fraud referral to the Administration with respect to the Nationwide Claim made by HO-6. HO-6 engaged Cornerstone to perform the work alleged required to repair the storm damage and entered into a written contract with Cornerstone. The HO-6 Nationwide Policy had a \$1,000.00 deductible. The invoice provided to HO-6 by Cornerstone identifies a “signage credit” of \$1,000.00, suggesting that Cornerstone, through the artifice of “advertising,” was engaged in the illegal practice of reimbursing deductibles. Therefore, Nationwide referred the HO-6 Nationwide Claim to the Insurance Fraud Division under Section 27-802(a)(1) of the Insurance Article.

43. The Administration found that the written contract between HO-6 and Cornerstone contained the same contract language cited in Paragraph 22 of this Consent Order.

44. On February 11, 2020, the Administration accessed Cornerstone’s Facebook page. The content included the following.

We offer free roofing and siding detailed inspections of the home for storm damages related to hail and wind in order **to see if you would qualify for a free replacement through your homeowner's insurance company. If damaged your homeowner's insurance is required to replace in its entirety by law without raising individual rates** [*Emphasis added*]. We specialize in the entire process as well as providing quality and impressive workmanship in full replacements, also offering free upgrades to heavy-duty 50 Year Lifetime roofing and siding systems. Call us today!

[See https://www.facebook.com/pg/CornerstoneBuild/services/?ref=page_internal/]

And

Cornerstone Building & Restoration

April 10, 2019

Frustrated with **your homeowner's claim** for your roof or siding? Before you get the big red denial **call us for a free evaluation for your storm damage and we will get you covered!** The above caption is accompanied by the image of a male, apparently frustrated along with the word DENIED, printed in red, and capitalized.

[See <https://www.facebook.com/CornerstoneBuild/> (emphasis added)]

45. The Administration found that as of October 14, 2020, Cornerstone's Facebook page also included the following statements:

August 28: "Homeowner just approved for entire exterior remodel of roofing, siding, and gutters due to storm damage. The rainbow of approval! Wow!"

July 17: "Another beautiful restoration! Love the "honey" color GAF Timberline HDZ with unlimited wind warranty! You should see the before photos! (2 layers with wind damage and tons of rotted decking) now it's ready for 50 years of life and homeowners not out of pocket! Wow!"

46. By the conduct set forth above, Respondent has violated the Maryland Insurance Article.

47. As evidenced, *inter alia*, by the description of services on the Cornerstone Facebook page; the services and undertakings set forth in Cornerstone's contracts with the Travelers and Nationwide Insureds; the engagement and compensation of Dallmer; and the communications by and among Cornerstone, the homeowners identified herein, and their respective homeowners' insurers:

- (a) Cornerstone has acted as a public adjuster in the State without a license in violation of §§ 10-403, 4-205 and 27-405;
- (b) Cornerstone has published and placed before the public representations and statement about the business of insurance that are untrue, deceptive, and misleading in violation of § 27-203; and

- (c) Cornerstone has indirectly compensated homeowners for their insurance deductibles under the guise of paying advertisement fees to the homeowners.

48. Administrative fines shall be made payable to the Maryland Insurance Administration and shall identify the case by numbers(MIA-2021-02-021) and name (Cornerstone Building & Restoration, LLC).Payment of the administrative fine shall be sent to the attention of: Associate Commissioner, Insurance Fraud Division, 200 St. Paul Place, Suite 2700, Baltimore, Maryland 21202.Unpaid fines will be referred to the Central Collections Unit for collection.

49. The parties acknowledge and agree that this Order resolves the factual allegations in the Initial Order and this Consent Order with respect to Respondent. Accordingly, execution of this Order concludes the investigation of Respondent Cornerstone with respect to the allegations and findings made in the Initial Order and this Consent Order.

50. This Consent Order will supersede the Initial Order issued on February 17, 2021.

Order

WHEREFORE, for the reasons set forth above, it is this 23rd day of June, 2021,

ORDERED by the Commissioner and consented to by Respondent, that:

- A. Subject to the provisions of Paragraph B below, for the violations stated herein, the Administration hereby imposes an administrative penalty on Respondent in the amount of \$70,000 with all but twenty thousand dollars (\$20,000.00) suspended as described in paragraph B. The administrative penalty shall be paid as follows:
 - i. \$4,000.00 paid by Respondent to the Administration along with the submission of the executed Consent Order;
 - ii. \$4,000.00 due by July 9, 2021;
 - iii. \$4,000.00 due by August 2, 2021;
 - iv. \$4,000.00 due by September 1, 2021; and

v. \$4,000.00 due by October 1, 2021.

B. In light of Respondent's actions in working to correct the violations described herein, the Administration hereby suspends all but \$20,000.00 of the Respondent's obligation to pay the \$70,000.00 administrative penalty imposed pursuant to Paragraph A, provided that Respondent fully and timely complies with the terms of this Consent Order. As a result, payment of the \$50,000.00 balance of the administrative penalty referenced under Paragraph A shall not be required at the time of execution of this Consent Order. If, during the one-year period following the final execution of this Consent Order, Respondent has fully and timely complied with the terms of this Consent Order and, further, has not been found by the Administration to have violated §§ 10-403, 4-205 and 27-405 of the Insurance Article or to have engaged in conduct substantially similar to the conduct that is the subject of this Consent Order during that one-year period, all but \$20,000.00 of the \$50,000.00 administrative penalty imposed will be rescinded. If, at the expiration of the aforesaid one-year period, Respondent is the subject of an investigation by the Administration for an alleged violation of §§ 10-403, 4-205, and 27-405 of the Insurance Article or substantially similar conduct during the one-year period, the decision to rescind \$50,000.00 of the \$70,000.00 administrative penalty imposed by Paragraph A shall be made by the Administration at the time that such investigation is concluded, based on the findings of such investigation. Upon conclusion of any such investigation, in the event the Administration reverses its position regarding imposition of the administrative penalty referenced under Paragraph A, the Administration shall provide Respondent with written notice of its decision, and payment of such administrative penalty shall be made by Respondent within thirty (30) days of receipt of such written notice.

C. Failure to pay as outlined in paragraph A constitutes a default and Notice of Default is hereby waived by Respondent. Failure to make a monthly installment payment will result in the entire balance becoming immediately due and payable and the matter will be referred to the Central Collections Unit of the Department of Budget and Management for collection.

The executed Consent Order and initial payment shall be sent to the attention of: Maryland Insurance Administration, Steve Wright, Associate Commissioner, Insurance Fraud & Enforcement Division, 200 St. Paul Place, Suite 2700, Baltimore, MD 21202 and shall identify the case by number (MIA-2021-021) and name (Cornerstone Building Restoration).

D. Within 30 days of the date of this Consent Order, Respondent shall confirm in a letter to the Commissioner that it has discontinued all business activities in the State of Maryland that fall within the scope of activities defined in § 10-401.

E. In the letter referenced in paragraph D, Respondent shall confirm in a letter to the Commissioner that it has discontinued making any written contract or agreement

with any Maryland policyholder related to home repair or remodeling services for damages to a private residence for which the homeowner has or will make an insurance claim which such contract:

(i) Includes language identical or substantially similar to the language identified in Paragraph 23 of the initial Order;

(ii) Authorizes or permits Respondent from undertaking on behalf of a Maryland policyholder any of the activities described in Paragraph 23 of the initial Order;

(iii) Authorizes or permits Respondent to prepare and submit appraisals or estimates, or to meet or discuss or negotiate the value of damages sustained by insured property in connection with a first-party insurance claim, except through a person or entity licensed to act as a public adjuster in the State.

- F. Respondent shall confirm in the letter referenced in paragraph D, that Respondent has discontinued holding itself out as a person or entity qualified to act on behalf of Maryland policyholders in the evaluation, appraisal, estimation or negotiation of the cost to repair damages covered by a policy of insurance and, in that regard, each shall immediately amend/modify its respective advertisements, including Facebook pages and websites to remove any reference to the performance of any activities that fall within the scope of the activities described in § 10-401 in Maryland.
- G. Cornerstone agrees that the amount of any discount, fee, or credit that it offers its insured Maryland customers related to work that Cornerstone (including signage/advertising amounts) will not relate directly or indirectly to all or part of the deductible under the insured customer's homeowners' insurance policy and that the amounts of such offers shall not differ based on whether a customer is responsible for the payment of a deductible with respect to insurance coverage for Cornerstone's work. Any discounts, fees, or credits offered by Cornerstone to its Maryland customers will comply with all other laws applicable to Maryland home improvement contractors.
- H. Cornerstone may inform Maryland homeowners about the existence of the appraisal process. However, Cornerstone shall not negotiate or address claim coverage or insurance claim amounts in the appraisal process and its interactions with insurers and policyholders in that process or otherwise shall be limited to providing such information as may be requested by the insurer or the policyholder regarding Cornerstone's estimate and its recommendations as to the scope and cost of repairs.
- I. 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 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.

- J. Respondent had the opportunity to have this Order reviewed by legal counsel of its choosing, and it is aware of the benefits gained and obligations incurred by the execution of this Order. Respondent waives 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.
- K. 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.
- L. 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.
- M. This Order shall go into effect upon signing by the Commissioner or her designee, and is a Final Order of the Commissioner under § 2-204 of the Insurance Article.

KATHLEEN A. BIRRANE
INSURANCE COMMISSIONER

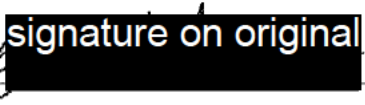
By: **signature on original**

STEVE WRIGHT
Associate Commissioner
Insurance Fraud and
Producer Enforcement Division

RESPONDENT'S CONSENT

RESPONDENT hereby CONSENTS to the representations made in, and to the terms of, this Consent Order.

Name: Mark Ammons

Signature:  signature on original

Date: 6/21/2021