

IN THE MATTER OF THE  
MARYLAND INSURANCE  
ADMINISTRATION

v.

PRICELESS  
HOME IMPROVEMENTS, LLC  
c/o Diana Price  
7 Shelton Court  
Indian Head, MD 20640

CASE NO.: MIA-2021-02-018

Fraud Division File No.: R-2020-3671A

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**CONSENT ORDER**

This Consent Order (“Order”) is issued by the Maryland Insurance Administration (the “Administration”) with the consent of Priceless Home Improvement, LLC (“Priceless” 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. Explanatory Statement & Findings of Fact**

1. A public adjuster is defined in the Insurance Article to include a person who, for compensation, acts for or assists a policyholder in assessing the value of, negotiating for, or effecting the settlement of a first property insurance claim under a property and casualty policy that insures the policyholder’s real or personal property. See Insurance Article § 10-401(g). A person is required to be licensed to act as a public adjuster in the State. See Insurance Article § 10-403(a).

2. Priceless is an incorporated business with its principal office in White Plains, Maryland. Priceless is licensed as a home improvement company by the Maryland Home Improvement Commission (Registration No. 104158). The Administration’s investigation determined that Priceless is not now, and has never been, licensed to act as a public insurance

adjuster in Maryland. Priceless does not contest that it is not now, and has never been, licensed to act as a public insurance adjuster in Maryland.

3. On August 6, 2019, a named insured on a homeowner's insurance policy issued by Brethren Mutual Insurance Company ("Brethren"), an authorized insurer, notified Brethren that on August 1, 2019, his home suffered wind and hail damage. Brethren opened a claim to investigate the asserted loss. The Brethren insurance policy was in effect from October 3, 2018 to October 3, 2019.

4. On August 12, 2019, a Brethren representative inspected the damage to the insured home. A representative from Priceless was present. Following the inspection, the Brethren representative prepared a repair estimate, and forwarded it to Priceless.

5. On September 10, 2019, Priceless sent Brethren a "revised" repair estimate, which totaled approximately \$8,000.00 more than the original estimate.

6. On September 11, 2019, the adjuster emailed the revision to Priceless and advised that further changes or deviations without prior approval will be denied.

7. On September 24, 2019, Brethren received an email from Priceless stating, they "are in agreement with the repair estimate."

8. On February 12, 2020, a representative for Priceless called Brethren and asked about one of the payments for repairs. Following an inquiry by Brethren, a representative advised Priceless that its obligation [to pay] was to the named insured. In response, a representative for Priceless sent to Brethren a "Direction to Pay," which stipulated that Brethren's named insured authorized "[m]y insurance company ... to pay Priceless... directly..."

9. Brethren referred the claim to its Special Investigations Unit ("SIU") for investigation.

10. A Brethren investigator noted that he reviewed the signed contract from Priceless and saw wording in the contract that suggested that by signing the contract the insured was having Priceless negotiate with Brethren on his behalf.

11. Section 27-802(a)(1) of the Insurance Article states,

An authorized insurer, its employees, fund producers, insurance producers... who in good faith has cause to believe that insurance fraud has been or is being committed shall report the suspected insurance fraud in writing to the Commissioner, the Fraud Division, or the appropriate federal, State, or local law enforcement authorities.

Brethren, based on the foregoing facts, referred the matter to the Fraud Division of the Administration as potential fraud.

12. The Administration opened an investigation into Priceless' conduct, including whether Priceless acted as a public adjuster without being licensed.

13. An investigator for the Administration examined Priceless' contract, which stated:

I/We agree to retain Priceless Home Improvements, LLC to represent me/us in obtaining my/our insurance companies [sic] approval to do replacement of (i.e. siding – roofing – gutters etc.) and/or repairs on the property listed above.

Priceless Home Improvements, LLC is empowered to contact my/our insurance carriers and meet with their adjuster/representative to discuss damage and replacement work to be done to the property in order to negotiate the payment as to the amount of damage to the property.

Upon insurance carrier and Priceless Home Improvements, LLC agreement to the extent of damages and cost of replacing (i.e. siding-roofing-gutter, etc.) Priceless Home Improvements, LLC may begin work on the above said property.

All work is to be performed in accordance with the insurance companies [sic] damage/work scope.

Any upgrade or additional work requested by you and that is not approved by your insurance company will be your financial responsibility and is not part of this agreement.

I/We agree for my insurance company to pay Priceless Home Improvements, LLC for the cost of repairs. All checks must be endorsed or made payable to Priceless Home Improvements, LLC.

Homeowner to pay deductible directly to Priceless Home Improvements, LLC.

This is a binding agreement, however, if your claim is denied by your insurance company, then this contract is Null and Void.

14. Priceless admits that this fairly and accurately represents the language that was used in its contract at the time.

15. Priceless generated and circulated the aforementioned contract to Maryland consumers. The language within the contract specifically stated that it was empowered to “represent” the insured and “negotiate” the payment with the insurer.

16. An investigator for the Administration examined Priceless’ web page at <https://www.pricelesshomellc.com/services.html>, which stated:

Whether you are looking to simply update the look of your home, repair damages, or need assistance with an insurance claim - one of our knowledgeable and experienced representatives will be there to assist you and guide you through the process. In the event that your home has sustained damage that warrants inquiring about or filing an insurance claim, we have the knowledge and experience to guide you through the process. We will assist you in filing the initial claim and be there to represent you during inspection and discuss repairs and costs with your insurance adjuster.

*Our clear understanding of insurance policies enables us to communicate effectively on your behalf to ensure you receive the compensation for your home's restoration.* We are expert contractors and are committed to exceeding your expectations.

(emphasis added).

17. Priceless admits that this fairly and accurately represents the language that was used on its website at the time.

18. Through its attorney, Priceless confirmed to the Administration that it has used the subject contract, and the prior website language, for some time, and that copies of the contract at issue are likely to be in use for existing and ongoing work. After being advised by the Administration of the issues with its contract and website, Priceless took prompt remedial measures to revise its contract and website to address those issues. Priceless acknowledged the

violations stated herein and agrees to discontinue all future violations that are the subject of this Consent Order, thereby resolving its current and past violations, presently existing or which may hereafter arise, arising out of or related to its use of the language used in the contract at issue, its use of the language on its website at issue, or the allegations made or violations enumerated in this Consent Order.

## II. MARYLAND INSURANCE LAWS

19. The following provisions of the Insurance Article apply to the acts and omissions of the Respondent in the State. 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.

20. **Section 10-401(d)** of the Insurance Article provides, in pertinent part:

(g)(1) “Public adjuster” means a person who for compensation or any other thing of value:

(i) acts or aids, solely in relation to first-party claims arising under an insurance policy that insures the real or personal property of the insured, on behalf of the insured in negotiating for, or effecting the settlement of, a claim for loss or damage covered by an insurance policy;

(ii) except as provided in § 10-403 of this subtitle, directly or indirectly solicits for employment as a public adjuster of insurance claims, solicits business, or represents oneself to the public as a public adjuster of first-party insurance claims for losses or damages arising out of insurance policies that insure real or personal property; or

(iii) Investigates or adjusts losses, or advises an insured about first-party claims for losses or damages arising out of an insurance policy that insures real or personal property for another person engaged in the business of adjusting losses or damages covered by an insurance policy, for the insured.

21. **Section 10-403(a)** of the Insurance Article provides, in pertinent part:

(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.

**22. Section 27-405(a)(1)** of the Insurance Article provides, in pertinent part:

(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[.]

**23. Section 27-408(c)** of the Insurance Article provides, in pertinent part:

(1) In addition to any criminal penalties that may be imposed under this section, on a showing by clear and convincing evidence that a violation of this subtitle has occurred, the Commissioner may:

(i) impose an administrative penalty not exceeding \$25,000 for each act of insurance fraud;  
and

\* \* \*

(2) In determining the amount of an administrative penalty, the Commissioner shall consider:

- (i) the nature, circumstances, extent, gravity, and number of violations;
- (ii) the degree of culpability of the violator;
- (iii) prior offenses and repeated violations of the violator; and
- (iv) any other matter that the Commissioner considers appropriate and relevant.

**24.** By promising that it would represent an insured through its contract and website, *inter alia*, Respondent represented itself as an authorized public adjuster, despite lacking any such authority or license. Respondent's conduct is in violation of §§ 10-403 and 27-405(a) of the Insurance Article. As such Respondent is subject to an administrative penalty under the Insurance Article § 27-408(c).

**25.** The parties agree to this Order to avoid litigation and to fully and finally resolve current and past violations, presently existing or which may hereafter arise, arising out of or related to Priceless' use of the contract at issue, Priceless' use of the website at issue, or the allegations made or violations enumerated in this Consent Order. The factual findings and violations stated in this Consent Order are admitted by Respondent.

Order

WHEREFORE, for the reasons set forth above, it is this 10<sup>th</sup> day of February, 2021, **ORDERED** by the Maryland Insurance Commissioner and CONSENTED to by Respondent, that:

- A. Respondent shall pay an Administrative penalty of five thousand dollars (\$5,000.00) to the Administration contemporaneously with Respondent's execution of this Consent Order. Payment shall be made by immediately payable funds to the Maryland Insurance Administration and shall identify the case by number (R-2020-3671A) and Respondent's name (Priceless Home Improvements, LLC). Payment of the administrative penalty shall be sent to the attention of: Associate Commissioner, Insurance Fraud Division, 200 St. Paul Place, Suite 2700, Baltimore, Maryland 21202. Unpaid penalties will be referred to the Central Collections Unit for collection.
- B. This Order does not preclude any potential or pending action by any other person, entity, or government authority, regarding any conduct by Respondent, including the conduct that is the subject of this Order.
- C. Respondent agrees to **DISCONTINUE**, and has discontinued, using contracts containing the language cited above, and shall destroy any remaining stock of this contract as well as any advertisements containing this or similar language.
- D. Respondent agrees to **DISCONTINUE**, and has discontinued, undertaking any future advertisements or marketing campaigns that promise to represent an insured with their homeowner's claim to an insurance company, or otherwise act or perform work as a public adjuster in conjunction with home repairs.

- E. Respondent agrees to provide written notice to the Administration within 10 days of the date of this Consent Order indicating that the remaining stock of contracts have been destroyed and that no advertisements containing the prohibited language are in use.
- F. Respondent agrees to modify and **DISCONTINUE**, use of its website to represent itself to the public as an adjuster of insurance claims for losses or damages arising under insurance contracts that insure the real or personal property, or both, of an insured.
- G. The executed Consent Order and notice of compliance shall be sent to the attention of: Maryland Insurance Administration, Steve Wright, Associate Commissioner, Fraud Division, 200 St. Paul Place, Suite 2700, Baltimore, MD 21202.
- H. 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, presently existing or which may hereafter arise, arising out of or 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.
- I. Respondent had the opportunity to have this Order reviewed by legal counsel of its choosing, and is aware of the benefits gained and obligations incurred by the execution of the 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.
- J. 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 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.

**K.** 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.

**L.** 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 Division

**RESPONDENT'S CONSENT**

Respondent Priceless Home Improvements, LLC 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 Respondent to the obligations stated herein and does, in fact, have the authority to bind Respondent to the obligations stated herein.

2/4/2021  
Date

[Signature]  
Authorized Signatory

Owner  
Title