



Careful When You Trim that Tree !

Credit to Manning and Kass, Ellrod, Ramirez, Trester,
Irvine, CA

Under normal circumstances, a property owner has the right to trim portions of a neighbor's tree which overhangs the property owner's property.

This premise goes back to the 1889 case of *Grandona v. Lovdal*, 78 Cal. 611 (1889). *Grandona* was subsequently followed in the 1952 case, *Bonde v. Bishop*, 112 Cal. App. 2d 1 (1952), which harshly held that it is the absolute right of a land owner to remove portions of trees which encroach on his land whether they caused damage or not.

Nonetheless, one needs to be very careful when trimming someone else's tree as Paolo Costa found out the hard way after hiring an unlicensed tree trimmer to trim his neighbor's tree. His unlicensed tree trimmer essentially "butchered" a Monterey Cypress tree owned by neighbor, Ellen Rony. Not only did the trimmer trim portions of the tree on Costa's property, but also cut off substantial portions of the tree located on Rony's property.

On October 26, 2012, the Court of Appeal for the First Appellate District held that Rony had incurred substantial property damage as a result of Costa's trimmer's conduct and confirmed an award of \$45,060 and against Costa. (*Rony v. Costa*, 210 Cal. App. 4th 746 (2012).)

Ellen Rony lived in a home in Tiburon, California since 1979. Her lot included two very large Monterey Cypress trees which Rony described to the Court as being "tall and magnificent" and "the major landscaping feature" of her yard and over the years, Rony had the trees professionally trimmed.

In 2000, Mr. Costa moved into the neighboring property and in 2008 decided to install an outdoor pizza oven. As part of the construction, in order to clear the area over the oven, he hired an unlicensed contractor to trim one of Rony's trees, apparently without consulting Rony. The trimmer virtually cut off all of the branches on one side of the tree, including parts on Rony's property.

Rony sued and a four day bench trial followed.

Experts disagreed on the damage to the tree but Rony's expert testified that the tree had been damaged to the point that it was a hazard and needed to be removed.

The issues in this case have been previously addressed by the same court as in the case of *Booska v. Patel*, 24 Cal. App. 4th 1786 (1994). In the *Booska* case, the court essentially held that when one trims another's tree, one had to do so in a reasonable manner. In the *Booska* case, Patel's conduct was more outrageous than that of Costa. Patel actually severed the roots of his neighbor's tree clearly causing severe damage if not death to the tree.

In the Rony case, Ms. Rony also sought treble damages pursuant to California Civil Code section 3346 which provides for treble damages for wrongful injury to trees. Section 3346 also contains an exception providing for double damages in the case where the damage was caused by "casual or involuntary" conduct. Mr. Costa was found to qualify for this exception.

Continued on page 4

Published Monthly by
California Association of



An Employer
Organization of
Independent
Insurance Adjusters

Inside this issue.....

Careful When You Trim that Tree!	Pg. 1
President's Message	Pg. 2
Note & News from Members	Pg. 3
Update on DOI IA	Pg. 4
Water Exclusion Case	Pg. 4
Construction Defect-Negligent Design	Pg. 5
Coverage for Non-conforming Re-model	Pg. 6
DOI Announce-ment	Pg. 8
CAIIA Spring Conference	Pg. 9
CCC Announce-	
On the Lighter Side	Pg. 10

CAIIA Newsletter

CAIIA Office
PO Box 168
Burbank, CA 91503-0168
Website: www.caiaa.org
Email: info@caiaa.com

Status Report Available
by Email and Web Only.

To add other insurance professionals to our e-mail list, please e-mail a request to statusreport@caiaa.com

California Association
of Independent Insurance
Adjusters, Inc.

President's Office

6151 Fairmount Ave., #215
San Diego, CA 92120-3439
Email: info@caiaa.com

President

William "Bill" McKenzie
Walsh Adjusting Company, San Diego, CA
walshadj@sbcglobal.net

Immediate Past President

Jeff Caulkins
John S. Rickerby Company, Glendale, CA
jeff.c@johnsrickerby.com

President Elect

Tanya Gonder
Casualty Claims Consultants, Oakland, CA
tanya@casualtyclaimsconsultants.com

Vice President

Kearson Strong
Malmgren & Strong, Fresno, CA
kearson@claimsconsultantgroup.com

Secretary Treasurer

Kim Hickey
SGD, Inc., Northridge, CA
khickey@sgdinc.com

ONE YEAR DIRECTORS

John Franklin
Franklin & Associates, Pasadena, CA
johnbfranklin@att.net

Brian Schneider
Schneider & Associates, Burbank, CA
bschneider@schneiderclaims.com

Art Stromer
SoCal Adjusters, LLC, Chino, Hills, CA
artstromer@hotmail.com

TWO YEAR DIRECTORS

Tim Waters
Buxbaum Loggia & Associates, Inc., Fullerton, CA
twaters@buxbaumloggia.com

Doug Steig
DKS Claims Service, Lake Elsinore, CA
info@dkscclaims.com

Charles Deen
CD Claims, Inc., Carlsbad, CA
chuck@cdclaims.net

OF COUNSEL

Steve Huchting
MORRIS, POLICH & PURDY, LLC
1055 W 7th St., 24th floor
Los Angeles, CA 90017
shuchting@mpplaw.com
213-417-5151

President's Message

Who becomes an adjuster? Why does one become an adjuster?
How does one become an adjuster?

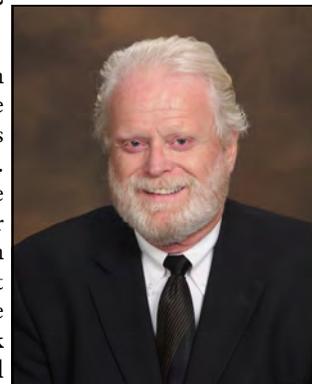
As I begin my 43rd year as an adjuster, and my 22nd year as an independent, I look back upon the past, and as I approach the twilight of my career it becomes evident that the majority of us who become adjusters work as adjusters and retire as adjusters. I believe for the most part we have all enjoyed our career, made some great friends and relationships, and look back upon our career as a professional one. I became an adjuster simply as an accident. I left the Army in December 1970, with a pregnant wife and a small child, returned to Northwestern Illinois where my wife's parents lived and in January 1971, I started to look for a job. I interviewed and took the test for the U.S. Postal Service, I interviewed for Management Trainee at Woolworth's and Zale's, and then first encountered the insurance industry when I interviewed for an adjuster position with Allstate, Crawford & Company and Travelers Insurance Company. Having almost no experience with insurance adjusting, I interviewed with those companies simply because I needed a job to continue supporting my family. I learned quickly that a History and Political Science Degree was almost worthless. After some apprehension, I took the job with Travelers Insurance and started my career.

I actually became an all lines adjuster, with very little property adjusting as at that time Travelers Insurance had very few agents in Northwest Illinois. I did Workmen's Compensation, Life & Casualty, Accident, Automobile, General Liability and over 85 investigations for Health policies. I then went into the Chicago Office and became a Property Adjuster. I left Travelers Insurance and went to work for an Excess & Surplus carrier, with again absolutely no experience or even very little understanding as to what Excess & Surplus carriers actually did. That was my first real encounter with independent adjusters, because my boss at Travelers Insurance felt there was no adjuster more qualified than a Travelers Adjuster in the Chicago Office.

As an Excess & Surplus carrier Supervisor, I worked only with independent insurance adjusters throughout the entire United States. I learned what independent adjusters did, and I met some truly professional adjusters but at the same time, met some that were totally lacking in certain skills. After I left the Excess & Surplus carrier, I went to work for a top 40 insurance agency running their Claims Department, which consisted of a 5 member claims staff. I again worked with independents because that agency was heavily involved in assisting their clients in the adjustment of the claim. I met and worked with independents and staff adjusters.

I came to California because my wife's parents moved out here, and I met Dick Walsh. Walsh Adjusting Company had been around prior to 1947, and I understand was one of the original members of the California Association of Independent Insurance Adjusters. There are not very many of us left who were a part of the original founding of this wonderful organization. By this time I thought I knew everything you would need to know about being an adjuster, but had very little actual knowledge as to how and why independents did what they did. Working with Travelers Insurance and the Excess & Surplus carrier, you had only one or two policies you had to worry about. Now I looked at multiple policies, and had to learn what each carrier expected of the independent adjuster. Some expecting more, some expecting less, some expecting and accepting our opinions as professionals, with others using us because they were told they had to and in some instances had little respect for what we do. I have started my 22nd year as an independent adjuster and in the waning years of my career I look back at what I have accomplished over those years, both as an independent and as a staff adjuster.

I have met some truly wonderful individuals, both on the independent side and also with the companies. Over those years the insurance industry has changed dramatically, but in my opinion our role as an adjuster has not changed much from what it was when I began.



W.L. (BILL) McKenzie
CAIIA President

Continued on page 3

Continued from page 2

We have a task to be fair, honest, truthful and respectful in our handling of the claims, and in working with the insured and the insurers. I believe most of us approach our responsibilities as professionals, which we are, and irrespective of the threat of the Bad Faith claim lawsuits and the Fair Claims Acts. We do what we have to do because that is our job, and even more so our career as professionals. We treat both the policyholders and our clients as we would want to be treated if we were making an insurance claim or working behind a desk evaluating a report from an adjuster. We cannot avoid mistakes, as we are human, but we all learn from those mistakes, which makes us better adjusters.

We pursue our career by continuing education. I am amazed in my review of the Regulations in other states that require absolutely no continuing education. One of our primary focuses with the CAIIA is education. We encourage all members of the industry to attend the Combined Claims Conference coming up in mid-March in Long Beach, and to attend the Northern California Combined Claims Conference this Fall. As an organization we pride ourselves in being involved in those two educational venues, along with our sponsorship of the Re-Certification for the Earthquake and the California Fair Claims Settlement Practices Regulations. Our Status Report includes articles concerning current cases which serve to further educate us as adjusters.

Along those lines I want to remind members of the CAIIA that we will be having our Spring Meeting on April 25 & 26, 2013 at Inn By The Lake, South Lake Tahoe, CA. Attached you will find a Registration form, and I encourage all members to participate in your organization. Please make your reservations as soon as possible. The Spring Meeting includes continuing education. I look forward to a large turn out and I thank each and every one of the members of the CAIIA for their participation and membership.

W.L. (Bill) McKenzie, RPA

W.L. (BILL) McKenzie, RPA



Notes and News from Members

Just wanted to drop you a note to say I really enjoyed the last newsletter and the article on policy limits payments. It's timing was perfect for me and it's nice to see articles on other subjects not involving property claims.

Regards,

Rick

Richard Kern

Partner, SGD, San Diego

Hugh Connelly

Hugh Connelly, a long time member of the CAIIA, died February 5, 2103. Hugh worked out of Sacramento for many years. After he retired, he traveled the country for awhile handling cat claims. Former President Dean Beyer advised us of the passing of Hugh. Our condolences to Julie and Hugh's family and friends.

From Dean: "Both Julie and Hugh were wonderful, delightful people who never had a bad thought about anyone. They were both enthusiastic, participating members of the CAIIA for many years. We have lost another of our brightest lights not only from the association but from our industry. God will be honored to have him at His side."

From his wife, Julie: "Hugh passed away 2/5/13 from Alzheimer's. He was at my side to the end and was the same sweet Hugh as ever. He's in the arms of God now."



Continued from page 1

Actual damages were awarded in the amount of \$22,530 and then pursuant to the statutory exception, doubled to \$45,060.

On a side note, trial court also awarded Rony attorney's fees pursuant to California Code of Civil Procedure section 1029.8 which provides for a fee award against an "unlicensed person who causes injury or damage to another person as a result of providing goods or performing services for which a license is required." In its review, the appellate court concluded that awarding fees against the person who hired the unlicensed person is not allowed under section 1029.8. The fee award was reversed.

The moral of this story is that one should think about what one is doing before trimming your neighbor's tree. Be a good neighbor, discuss the issue with your neighbor before acting and by all means, use a professional tree trimmer!

Member Update on DOI Insurance Adjuster Sub-Committee

The following is a quick update concerning my representation of the CAIIA on the California Department of Insurance Curriculum Board following my attendance at the February 7 meeting in Sacramento.

I am working weekly as a member of the Insurance Adjuster Sub-Committee to assist in creating the first comprehensive study materials for the independent adjuster licensing test. This will also involve reviewing the current test questions for appropriateness.

At the February meeting we received updated pass rates for persons taking the IA test for the first time. The pass rate in 2012 was 40%. 117 of 295 persons taking the test for the first time passed. Notably, in November, only 2 of 16 people passed.

There was discussion at the Board Meeting concerning Insurance Code 1729.2. This section requires licensees to notify the DOI of any material changes in their background, or of those persons using their license, within 30 days, not just at the time of license renewal. Items worthy of notification include "a misdemeanor or felony conviction; a filing of felony criminal charges in state or federal court; an administrative action regarding a professional or occupational license; ...and any admission, or judicial finding or determination, of fraud, misappropriation or conversion of funds, misrepresentation, or breach of fiduciary duty."

I will continue to update the membership after meetings and as significant developments occur.

Peter Schifrin, SGD, Inc., Northridge, CA

CAIIA Past-President

Exclusion for Water That "Backs Up or Overflows"

Credit to: Smith, Smith & Feeley, Irvine, CA

An exclusion for water that "backs up or overflows" from a sewer or drain applied even where a downstream blockage prevented the water from ever entering the sewer or drain. (Cardio Diagnostic Imaging, Inc. v. Farmers Insurance Exchange (2012) 212 Cal.App.4th 69)

Facts

Cardio Diagnostic Imaging, Inc. (Cardio) was the tenant in a suite on the first floor of a building. A toilet overflowed on the third floor of the building. The overflow occurred because there was a blockage in the sewer line approximately twenty feet away from the toilet, and because the toilet's water intake valve malfunctioned and caused the blocked sewer line to fill with water. The overflow caused extensive damage to Cardio's first-floor suite and equipment, including a CAT scan imaging machine. At the time of the loss, Cardio was named as the insured on a first-party commercial property insurance policy issued by Farmers Insurance Exchange (Farmers). The policy excluded damages caused directly or indirectly by water that "backs up or overflows" from a sewer or drain. The policy also provided that the exclusion applied "regardless of any other cause or event that contributes concurrently or in any sequence to the loss." In addition, the policy excluded damage caused by "[f]aulty, inadequate or defective ... [d]esign, specifications, workmanship, repair, construction, renovation, remodeling, ... [or] [m]aterials used in repair, construction, renovation or remodeling."

Cardio submitted a claim to Farmers, which Farmers denied. Cardio then filed a lawsuit against Farmers, alleging claims for breach of contract, bad faith and declaratory relief. The trial court entered summary judgment in favor of Farmers, and Cardio appealed.

Holding

The Court of Appeal affirmed the summary judgment in favor of Farmers.

Cardio argued that the exclusion for water that "backs up or overflows" from a sewer or drain applied only to water that exited a sewer or drain, and did not apply to water that never entered a sewer or drain because of a blockage downstream. The Court of Appeal disagreed, noting that the exclusion applied to water that "backs up or overflows" from a sewer or drain. The appellate court concluded that a lay person would understand the exclusion to apply both to water that "backs up" (comes up) out of a sewer or drain and to water that "overflows" (spills over) from a sewer or drain due to a blockage downstream. As such, Cardio's claim was excluded from coverage under the Farmers policy.

Construction Defect Premised on Negligent Design Theory Credit to Low, Ball and Lynch, San Francisco, CA

Beacon Residential Community Association v. Skidmore, Owings & Merrill, LLP
Court of Appeal, First District (December 13, 2012)

The First Appellate District reversed a judgment in favor of design professionals and against a homeowners association based on a theory of negligent design. The court held that, as matter of both common law and statutory law, liability for construction defects can be premised on theories of negligent design.

Skidmore, Owings & Merrill LLP ("SOM") and HKS, Inc., ("HKS") were architectural firms ("Defendants") who provided architectural and engineering services to the Beacon Residential Condominiums (the "Project"), a residential community in San Francisco.

The Beacon Residential Community Association ("BRCA") sued SOM and HKS. BRCA alleged numerous construction defects as a result of negligent architectural and engineering design and observation. BRCA also complained of "solar heat gain," excessively high temperatures resulting from the defendants' approval of inexpensive and nonfunctional windows, and a design lacking adequate ventilation within the residential units.

The defendants were named in three causes of action: "Civil Code Title 7 - Violation of Statutory Building Standards for Original Construction"; "Negligence Per Se in Violation of Statute"; and "Negligence of Design Professionals and Contractors."

The defendants demurred to the complaint, arguing that, under *Bily v. Arthur Young & Co.* (1992) 3 Cal.4th 370 ("Bily") and *Weseloh Family Ltd. Partnership v. K.L. Wessell Construction Co., Inc.* (2004) 125 Cal.App.4th 152 ("Weseloh"), they owed no duty of care to BRCA or its members. The trial court sustained the demurrers and dismissed the case. The trial court reasoned that liability could not be premised on negligent design because without privity of contract, BRCA was required to show that the design professionals had "control" in the construction process and assumed a role beyond that of providing design recommendations to the owner. The trial court believed that BRCA failed to meet its burden.

The court of appeal reversed the trial court's order sustaining the demurrers and the judgment of dismissal, holding that BRCA could state a claim based on design liability that was recognized both under common law and statutory law. It concluded that the trial court misconstrued the scope of the duty owed by a design professional to a homeowner/buyer.

The court distinguished *Weseloh*, in which judgment was affirmed in favor of design engineers who were sued after a retaining wall failed. The court of appeal in that case held that there was insufficient evidence to show that the design engineers owed a duty of care to the property owner or general contractor. There, the outcome was premised on the evidentiary record before the court and was of limited guidance. The court noted that no California court has yet extended *Weseloh* to categorically eliminate negligence liability of design professionals to foreseeable purchasers of residential construction. In the court's view, the issue was not whether a design professional owed a duty of care to such purchasers, but rather the scope of that duty. The court also observed that in *Cooper v. Jevne* (1976) 56 Cal.App.3d 860, an architect's duty of reasonable care was logically owed to those who purchased an allegedly defectively-designed and built condominium.

The court then turned to the policy factors for assessing the scope of duty owed by design professionals to third parties. The court held that, regarding the extent to which the transaction was intended to affect the plaintiff, a contractual limitation of liability in the contract with the developer emphasized that the defendants were well-aware that future homeowners would be affected by their work. It also concluded that the failure to exercise reasonable professional care in the design of residential construction presents readily apparent risks to the health and safety of the ultimate occupants. Thus, there was sufficient foreseeability of harm to plaintiff.

The court accepted BRCA's allegations of problems with the project, so that there was certainty of injury. Likewise, there was sufficient connection between the defendants' conduct and the injury suffered, on the face of the allegations. Finally, the court felt that the moral blame attached to the defendants' conduct was met because BRCA alleged significant failures in Project components and deficiencies in design, resulting in actual property damage and health safety risks. The court leaned toward a finding of greater, rather than less, moral blame. The policy of preventing future harm also weighed heavily in favor of recognizing liability.

The court also noted that in Senate Bill No. 800, the Legislature expressed its social policy choices on issues pertinent to construction defect legislation. In doing so, the Legislature clearly assumed that existing law already imposed third party liability upon design professionals. According to the Court, the plain language of Senate Bill No. 800 provides that a design professional, who as a result of a negligent act or omission causes a violation of statutory residential housing standards, may be liable to the ultimate purchasers for damages.

COMMENT

The Court's ruling clarifies that negligent design liability for architects and other design professionals extends to the intended purchasers. A potentially more impactful result of this ruling is the Court's use of general factors from *Biakanja* to analyze the extent of a legal duty owed by design professionals to third parties in the absence of a privity of contract. A future court could use this analysis to extend design negligence liability to other third parties that are arguably affected by negligent design, such as contractors and subcontractors that rely upon the work of architects and other design professionals as a basis for their work.

*Ordinance or Law Exclusion Bars Coverage for Forced Demolition of Nonconforming Remodel
Credit to Haight, Brown & Bonesteel, Los Angeles, CA*

In *Reichert v. State Farm General Insurance Company* (No. G046582, filed 12/28/12, ord. pub. 1/24/13), a California Court of Appeal upheld summary judgment for a homeowners insurer based on its denial of coverage under an ordinance and law exclusion for demolition of a home ordered by local authorities after discovery that construction did not conform to municipal design and federal floodplain regulations.

The homeowners attempted a remodel of their newly purchased house. After several modifications to the building plans to conform with and avoid other expensive and burdensome ordinances, but before construction was finished, city building inspectors discovered the project did not conform with city ordinances and FEMA floodplain regulations and ordered the entire building demolished. The homeowners sued their architect and contractor and made claim to their homeowners insurer. The insurer denied the claim on the grounds that the demolition was not an accidental loss and was excluded by the ordinance or law exclusion to the policy.

In affirming summary judgment for the insurer, the appeals court first noted the possibility that the loss was not an "accidental direct physical loss" under the first party coverage at issue. But the court pointed out that a factual question existed whether the loss was "accidental" from the standpoint of the insured. (Citing *MRI Healthcare Center v. State Farm* (2010) 187 Cal.App.4th 766, 781.)

However, the appeals court agreed that application of the ordinance or law exclusion was "fairly obvious." The court noted a split in authority as to whether, after a loss from a covered peril such as fire, a first-party property insurer is required to pay for code upgrades needed to effectively replace the lost or damaged property, even if the required code upgrades mean the insureds effectively receive something better than they originally had. That is, whether a party whose house was non-compliant before the loss deserves a code-compliant house after the loss.

The *Reichert* court cited *Bischel v. Fire Ins. Exchange* (1991) 1 Cal.App.4th 1168, which held a property insurer was not obligated to repair a dock destroyed by careless and unauthorized mooring during a storm (a covered peril) to the extent of bringing the dock up to the condition local code required. Instead, the insurer was only obligated to pay to bring the dock back to its pre-loss condition. The *Bischel* court said that "the purpose of insurance is not to put the insured in a better position than he or she was before the loss but rather to compensate for the actual loss sustained."

By contrast, the *Reichert* court stated that *Fire Ins. Exchange v. Superior Court (Altman)* (2004) 116 Cal.App.4th 446, severely criticized such a result for cases where the policy provides replacement cost coverage. The *Altman* court concluded that where an insured has replacement cost coverage, then it is "inherent" in the idea of usable replacement that, if required by code compliance, insureds will receive something better than they had before the loss if the policy contemplated replacement of the property.

The *Reichert* court concluded that the split in authority did not affect the immediate case, because the split involves situations where the loss is caused by a covered peril. However, the *Reichert* court said that *Altman* (and consistent out-of-state authorities) cases are instructive for noting that the clear intent of the ordinance or law exclusion is to exclude loss when it is the law or ordinance itself – as distinct from a covered peril, such as fire – that is the cause of the loss. The court said that there is a small but consistent body of cases that have routinely applied the law or ordinance exclusion (or its predecessor, the civil authority exclusion) to losses caused by enforcement of a building ordinance or law.

The *Reichert* court also dismissed the argument that the policy's optional Building Ordinance or Law coverage affects the result. The optional coverage provided an additional 25% above the policy's dwelling coverage limit for required code upgrades in certain situations. However, the court said that the option did not restore coverage which the ordinance or law exclusion otherwise removed, but merely provided additional coverage when there is a "loss insured" in the first instance. That is, there must still be a loss caused by a covered peril, and the law or ordinance exclusion means there is no coverage when enforcement of a law or ordinance is the peril.

Finally, the *Reichert* court rejected an argument that the efficient proximate cause of the loss was the third-party negligence of the architect and that the loss was covered despite the ordinance or law exclusion. The court said that insurers had responded to the third-party negligence argument by adding broad policy language to exclude losses caused by third-party negligence. The *Reichert* court thus refused to agree that the architect's decision to deviate from plans was the efficient proximate cause of the loss sufficient to circumvent operation of the ordinance or law exclusion.

While the *Reichert* decision bolsters the enforceability of an insurer's ordinance or law exclusion where the cause of the loss itself is the enforcement of an ordinance or law, it appears that resolution of the split in authority in California for increased building costs imposed by ordinance or law as the result of a covered cause of loss under replacement cost coverage will have to wait for another day.

*DOI Announcement:**Five Sacramento area suspects arrested for staging automobile theft*

Sacramento - Insurance Commissioner Dave Jones announced today that James Adkins, 44 of Loomis, Justin Highsmith, 33 of Fair Oaks, James Peacock, 38, Kori Feinstein, 33, and Kevin Johnson, 37, all of Sacramento were arrested and each charged with one felony count of insurance fraud including providing false statements in support of an insurance claim. Feinstein and Johnson were also charged with one felony count of possession of stolen property and vehicle theft. Bail for Johnson is set at \$100,000 and for the other suspects \$40,000.

According to investigators from the California Department of Insurance (CDI), in May 2010, Adkins filed a claim with his insurance company and credit union alleging his 2002 Cadillac Escalade was stolen. Adkins then made statements to the insurer and law enforcement that his Cadillac was stolen from his residence in Sacramento. Approximately six weeks before filing his insurance claim, investigators allege that Adkins, Highsmith, and Peacock staged the theft.

Investigators further allege that in April 2010, Johnson purchased Adkins' Cadillac, and after he became aware it was reported stolen in July 2010, attempted to hide the vehicle from law enforcement officials who had contacted him to inspect the vehicle. According to investigators, Johnson purchased parts from other salvaged vehicles and swapped the parts onto the Cadillac in an attempt to hide its true identity. Johnson and Feinstein then allegedly went to the California Department of Motor Vehicles and re-registered the Cadillac as a 2004 GMC Yukon.

After interviewing witnesses and conducting an investigation, CDI's Auto Fraud Task Force discovered Highsmith and Peacock assisted Adkins in this owner give-up insurance fraud scheme. It was also discovered that Johnson used a local auto repair facility to assist him in switching out stolen parts on the vehicle.

The insurance company ultimately denied Adkins' claim, but would have paid approximately \$26,000 if the fraud had not been discovered.

Adkins, Highsmith, Feinstein and Johnson were arrested in Sacramento County and booked into the Sacramento County Jail. Peacock is currently in custody serving time at Lancaster State Prison in Los Angeles County on an unrelated matter.

This case was investigated by the CDI Organized Automobile Fraud Interdiction Program from the Sacramento Regional Office. The Sacramento County District Attorney is prosecuting this case.



Happy
Easter!

CAIA Spring Conference

April 25 & 26, 2013



Inn By The Lake

3300 Lake Tahoe Blvd., South Lake Tahoe, CA 96150
 Phone (530) 542-0330 ; (800) 877-1466; Fax (530) 541-6596
Info@InnByTheLake.com

CAIA REGISTRATION FORM

Your Name _____ Spouse/Guest _____
 Company _____
 Address _____
 Phone _____ Fax _____
 E-Mail _____

EVENT	COST	#TICKETS	TOTAL PRICE
MEMBER CONVENTION Package (*) (Includes Reception, Continental Breakfast, CE Class/Lunch/Meeting)	\$ 150.00	# _____	\$ _____
Non-Member Convention Package (Includes Reception, Continental Breakfast, CE Class/Lunch)	\$ 175.00	# _____	\$ _____
Spouse/Guest fee Name _____	\$ 100.00	# _____	\$ _____
3 Hour CE Class (Includes Continental Breakfast, Presentation, Lunch)	\$ 100.00	# _____	\$ _____
Spouse Event		# _____	\$ _____
Grand Total payable			\$ _____

SCHEDULED EVENTS

Please specify which events you and/or your spouse/guest will attend by placing a check mark in the box next to the event.
 Complete a separate form for each registrant and additional guest.

Please make your checks payable to CAIA or pay by credit card.
 Mail Registration Form & payment to:

	You	Spouse/Guest
4/25 - 6:30 P.M. Reception & Dinner	[]	[]
4/26 - 7:00 A.M. Registration/Breakfast	[]	[]
4/26 - 8:00 A.M. Seminar	[]	[]
4/26 - 12:00 P.M. Lunch	[]	[]
4/26 - 1:30 P.M. Business Meeting (*)	[]	[]
4/26 - Spouse Event	[]	[]

Walsh Adjusting Company
 6151 Fairmount Ave #215
 San Diego, CA 92120-3439

	AMEX VISA M/C Circle one	3 Digit Security # (CV)	
Cardholder:		Signature:	
Card No:		Expiration Date:	
Card Address: (City/State/Zip)			

(*) Members only.

COMBINED CLAIMS CONFERENCE

LONG BEACH CONVENTION CENTER | MARCH 12-13, 2013



SILVER ANNIVERSARY CELEBRATION

MINING FOR KNOWLEDGE

The Combined Claims Conference (CCC) is a two-day program offering continuing education for CPCU, RPA, MCLE, CIPI, CALI, WCCP and the California Department of Insurance for independent adjusters, attorneys, investigators and brokers.

You must be employed in the following fields in the insurance and claims industry to qualify for the CCC "qualified" rate: Independent Adjuster, Insurance Carrier, Risk Management, Appraiser, Private Investigator, Workers' Compensation Claims Professional, Attorney or Agent/Broker. All others register at the "all others" rate.

CCC QUALIFIED RATES:

Register By December 31:

One-day: \$75.00 (either Tuesday or Wednesday)
Two-day: \$125.00

Register by February 28:

One-day: \$95.00 (either Tuesday or Wednesday)
Two-day: \$175.00

After February 28 or On-site registration:

One-day: \$125/day (subject to availability)

All-others:

One-day: \$200 (either Tuesday or Wednesday)
Two-day: \$400

Discount Pricing Available:

Pay for five registrations and get one free.
Pay for 10 registrations and get three free.
Pay for 15 registrations and get five free.

EXHIBITOR AND SPONSORSHIP OPPORTUNITIES ARE AVAILABLE NOW!

Please visit the website for details on the program, exhibitor, sponsor and golf tournament details, hotel information and a link to register online. All registration will be online for the 2013 conference.

Combined Claims Conference
P.O. Box 255431
Sacramento, CA 95865-5431
www.combinedclaims.com
info@combinedclaims.com
(714) 321-3847



On the Lighter Side...

How children perceive their Grandparents.....

1. She was in the bathroom, putting on her makeup, under the watchful eyes of her young granddaughter, as she'd done many times before. After she applied her lipstick and started to leave, the little one said, "But Grandma, you forgot to kiss the toilet paper good-bye!" I will probably never put lipstick on again without thinking about kissing the toilet paper good-bye....

2. My young grandson called the other day to wish me Happy Birthday. He asked me how old I was, and I told him, 80. My grandson was quiet for a moment, and then he asked, "Did you start at 1?"

3. After putting her grandchildren to bed, a grandmother changed into old slacks and a droopy blouse and proceeded to wash her hair. As she heard the children getting more and more rambunctious, her patience grew thin. Finally, she threw a towel around her head and stormed into their room, putting them back to bed with stern warnings. As she left the room, she heard the three-year-old say with a trembling voice,

"Who was THAT?"

4. A grandmother was telling her little granddaughter what her own childhood was like. "We used to skate outside on a pond. I had a swing made from a tire; it hung from a tree in our front yard. We rode our pony. We picked wild raspberries in the woods."

The little girl was wide-eyed, taking this all in. At last she said, "I sure wish I'd gotten to know you sooner!"

5. My grandson was visiting one day when he asked, "Grandma, do you know how you and God are alike?" I mentally polished my halo and I said, "No, how are we alike?" "You're both old," he replied.

6. A little girl was diligently pounding away on her grandfather's word processor. She told him she was writing a story.

"What's it about?" he asked.

"I don't know," she replied. "I can't read."

7. I didn't know if my granddaughter had learned her colors yet, so I decided to test her. I would point out something and ask what color it was. She would tell me and was always correct. It was fun for me, so I continued. At last, she headed for the door, saying, "Grandma, I think you should try to figure out some of these colors yourself!"

8. When my grandson Billy and I entered our vacation cabin, we kept the lights off until we were inside to keep from attracting pesky insects. Still, a few fireflies followed us in. Noticing them before I did, Billy whispered, "It's no use Grandpa. Now the mosquitoes are coming after us with flashlights."

9. When my grandson asked me how old I was, I teasingly replied, "I'm not sure." "Look in your underwear, Grandpa," he advised "Mine says I'm 4 to 6."

10.. A second grader came home from school and said to her grandmother, "Grandma, guess what? We learned how to make babies today." The grandmother, more than a little surprised, tried to keep her cool. "That's interesting," she said...

"How do you make babies?"

"It's simple," replied the girl. "You just change 'y' to 'i' and add 'es'."

11. Children's Logic: "Give me a sentence about a public servant," said a teacher. The small boy wrote: "The fireman came down the ladder pregnant." The teacher took the lad aside to correct him. "Don't you know what pregnant means?" she asked.

"Sure," said the young boy confidently. "It means carrying a child."

12. A grandfather was delivering his grandchildren to their home one day when a fire truck zoomed past. Sitting in the front seat of the fire truck was a Dalmatian dog. The children started discussing the dog's duties.

"They use him to keep crowds back," said one child.

"No," said another. "He's just for good luck.."

A third child brought the argument to a close. "They use the dogs," she said firmly, "to find the fire hydrants."

13. A 6-year-old was asked where his grandma lived. "Oh," he said, "she lives at the airport, and when we want her, we just go get her. Then, when we're done having her visit, we take her back to the airport."

14. Grandpa is the smartest man on earth! He teaches me good things, but I don't get to see him enough to get as smart as him!

15. My Grandparents are funny, when they bend over, you hear gas leaks and they blame their dog.