CAIIA

Status Report

November 2012

Editor's Corner

For the last several months we have been taking a few moments to discuss how California is much more defense-oriented than many other states.

Most people are unaware of California Code of Civil Procedure Section 2035.010 and the Sections following that. This can be a useful tool when you feel you might loose the testimony of a very important witness, loss of documents, or need a physical and/or mental examination of someone.

This is known commonly as a Motion to Perpetuate Testimony. It should be used when you have someone who may be a minor and the minor has many years to file a lawsuit. Also, you may wish to use this for someone such as a paramedic who may forget the details of someone who the paramedic treated or to preserve the testimony of a witness.

This takes a motion with the court of proper jurisdiction. It does not require that there be a lawsuit already filed in order to have the court consider the necessity of the motion.

The California DOI Enforcement Power Restricted

Credit to: Barry Zalma, Zalma's Insurance Fraud Letter, www.zalma.com

The 2013 issue adds information on a September 2012 ruling by an administrative law judge that prohibits the enforcement of many of the Regulations because they violate, by unlawfully expanding, the meaning of California Insurance Code Section 790.03 (h). The new edition was rewritten and includes detailed analysis of the ruling by California Administrative Law Judge Stephen J. Smith who issued a 51-page ruling finding the CDI's Fair Claims Practices Regulations (FCPR) might not be brought as unfair claims acts. The ruling affects how the CDI has imposed, and will impose in the future, penalties against insurers for claims since the inception of the FCPR in 1992.

In the court's extensive ruling, which contained 150 separate findings, the court ruled that:

None of the standards prescribed in the FCPR appear anywhere in California Insurance Code § 790.03 (pursuant to which statute the CDI adopted the FCPR); these are additional standards added exclusively by regulatory action of the CDI.

The FCPR as applied are unenforceable pursuant to California Government Code §§ 11152 and 11342.2, which establish the test for determining the validity of regulations. Specifically, the court held that § 2695.1 of the FCPR improperly creates new unfair standards and duties within the meaning of Insurance Code § 790.03(h), which subjects insurers to the penalty provisions of Insurance Code § 790.035 for failure to meet those standards.

The FCPR through CCR § 2695.1(a) dramatically and impermissibly expands the

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Inside this issue.....

CAIIA Newsletter

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Status Report Available

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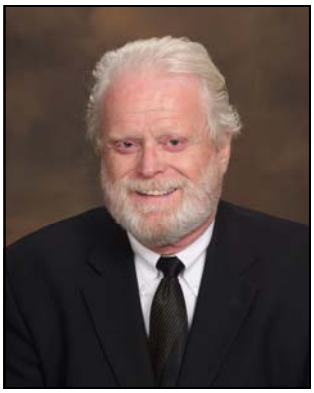
President's Message



W.L. (BILL) McKenzie
CAIIA President

November 2012

The California Association of Independent Insurance Adjusters just celebrated its 65th Anniversary, and installed me as the 66th President. I am proud that Walsh Adjusting Company's predecessor was one of the original members of this great organization. I believe that we are the third oldest association of independent insurance adjusters, and the largest of the various State organizations.

Since the California Association of Independent Insurance Adjusters is a completely volunteer organization, we all know of the challenges we face trying to keep it running while at the same time attending to our own business needs. We are the foremost organization in providing claims education to our members, and even to outside organizations. Our members are not only exceptional adjusters, but they are exceptional individuals. Prior Presidents mention terms like relationship building, networking, mentoring, etc. which capture the California Association of Independent Insurance Adjusters concept. Because we are a volunteer organization, it is essential to the group that its members be active. Past President Peter Vaughan in one of his messages talked about volunteerism. He stated by being active in the planning and operations of our group, you can increase your visibility and showcase your managerial skills. Your activity and the work you do for the good of the organization will be recognized by your fellow members and the industry. I implore each of you that if you have an idea you would like to share with other members, come forward and promote that idea. Contact me or the Board and participate in this great organization.

We just completed our 61st Annual Conference and I want to thank the sponsors who participated: Belfor USA · Allied Environmental Group · Fire Cause Analysis · All County Environmental & Restoration · Clean Earth Restoration · Haag Engineering. I want to thank the members and their families who attended and participated. I also want to thank Mr. Tim Waters for the outstanding job in presenting the education program. The various education programs provided by the California Association of Independent Insurance Adjusters make this organization a leader in the educational field and we will continue to be so. I am honored to have been asked to serve as the 2012-12 President, and I hope the next 12 months meet everyone's expectations.

W.L. (BILL) McKenzie, RPA

President – CAIIA 2012-13

(continued from page 1)

The CDI's language in CCR § 2695.1 impermissibly amends Insurance Code § 790.03(h) such that a violation can be proved by means of a single knowing act or by proof of a general business practice, which amendment lowers the burden of proof and quality of evidence necessary for the CDI to prove a violation of § 790.03(h). In order to assert a violation of § 790.03(h), proof must be shown that the violation was both knowingly committed and performed with such frequency as to reflect a general business practice.

An OSC drawn from the conclusions or statements in a Market Conduct Examination is improper to support a valid pleading. Such examinations lack specificity about each act. OSC pleadings must assert violations under Insurance Code § 790.03(h)(1)-(16) and pleadings must set forth the charges and allegations in ordinary and concise language, such that the acts or omissions of which the respondent is charged may be reasonably ascertained.

Corporations Formed Other than in California Which Have Dissolved May Be Able to Win Summary Judgment in California Asbestos Cases
Credit to Low, Ball & Lynch, San Francisco, CA.

Robinson v. SSW, Inc.
California Court of Appeal, First District
(September 21, 2012)
Issue by: Guy W. Stilson

Douglas Robinson died from mesothelioma and his family filed a wrongful death action. SSW, Inc., a Nebraska corporation, sought summary judgment on the ground that it had dissolved in accordance with Nebraska law more than five years before it was named as a defendant in the lawsuit, and under Nebraska law, a dissolved corporation cannot be sued more than five years after its dissolution. The plaintiffs resisted on the ground that the action was venued in San Francisco, California, SSW had qualified and registered to do business in California, and California law does not include a corporate survival limitation on bringing suit. Judge Harold Kahn granted summary judgment and the Court of Appeal affirmed.

Many states include in their corporate laws a corporate survival statute of limitations. Such statutes basically say that after a certain number of years after the dissolution of a corporation formed under the laws of that state, the corporation is no longer subject to suit. These statutes operate regardless of the availability of insurance for the dissolved corporation. In Nebraska, the corporate survival statute of limitations is five years. However, corporations organized under California law do not enjoy the advantage of a corporate survival statute of limitations – in fact, California law includes a statute to the opposite effect: California Corporations Code section 2010(a) states, "[a] corporation which is dissolved nevertheless continues to exist for the purpose of winding up its affairs, prosecuting and defending actions by or against it ...," and section 2010(b) states even more directly, "No action or proceeding to which a corporation is a party abates by the dissolution of the corporation or by reason of proceedings for winding up and dissolution thereof." Thus, a California corporation can be sued any number of years after it has dissolved, and if it has insurance applicable to the claimed loss, the insurer will probably have to defend the company and pay any loss covered by the policy.

In *Robinson,* the Court of Appeal noted that there is a split in California authority on the subject of whether a non-California corporation is entitled to the protection of its home-state corporate survival statute of limitations, and that the issue is currently before the California Supreme Court, which has not yet issued a decision. In *North American Asbestos Corp. v. Superior Court* (1986) 180 Cal.App.3d 902 ("*North American II*"), the First District applied a conflict-of-laws analysis and determined that because California policy is to protect and compensate injured persons, that policy would prevail over a foreign-state policy that was different. But a few months earlier, in *Riley v. Fitzgerald* (1986) 178 Cal.App.3d 871 ("*Riley*"), the Second District had decided the issue on a statutory construction basis, finding that California's statute which effectively dispenses with the possibility of a California corporate survival statute of limitations (Corporations Code section 2010) did not apply to a corporation formed under Texas law, where there is a corporate survival statute of limitations. The *Robinson* court found no need for a conflict-of-laws analysis and proceeded under a statutory construction analysis, coming to the same result as the *Riley* court.

The *Robinson* court's statutory construction analysis turned on the fact that Corporations Code section 2010 applies to corporations "organized" under California's corporation law. Interpreting the term "organized" in its traditional fashion, the court determined that a corporation is organized under the law of the state where it is created. The court further determined that qualifying to do business and registering to do business under California law are distinct from being organized under California law. Since SSW was not organized under California law, Corporations Code section 2010 did not apply to it, leaving Nebraska's corporate survival statute of limitations in effect for purposes of the case, and ultimately entitling SSW to entry of summary judgment.

COMMENT AND EVALUATION

Many states' corporate laws contain a corporate survival statute of limitations, including the law of Delaware, the most popular state for corporate formation (primarily because Delaware offers so many protections for corporations organized under its laws). If you have a client that is a dissolved corporation organized under the law of a state other than California, it would pay to educate yourself regarding any corporate survival statute of limitations that may exist under the law of the state of the corporation's formation.

While a split of authority technically still exists on this issue in California, the district that had previously found this issue to be one for conflict-of-laws analysis is the First District, which has now issued this opinion explicitly disagreeing with its prior opinion and offering a well-reasoned statutory construction analysis. The weight of authority in California therefore currently favors enforcing a foreign state's corporate statute of limitations. Of course, the issue remains pending before the California Supreme Court, which could render a different (and controlling) opinion. Watch this space for updates!

Attorney Fees – Court Must Make Determination of Amount as to Prevailing Party

Credit to Low, Ball and Lynch, San Francisco, CA.

When determining whether to award attorneys' fees pursuant to Civil Code Section 1717, trial courts have broad discretion to determine who is a prevailing party or if there is a prevailing party. This case considered whether there had been an abuse of discretion where two defendants had unity of interest (to a point), but where only one filed a cross-complaint for additional damages outside the scope of the complaint."

Zintel Holdings, LLC ("Zintel") sued Lilo McLean ("McLean") and her son, Mark Huth (Huth), to invalidate or equitably reform their allegedly fraudulent residential apartment lease. McLean and Huth were 50 year tenants in a Beverly Hills apartment building owned by Zintel. In 2010, Zintel served them with a 60-day notice to quit. The notices were later withdrawn but Zintel then sued, alleging the lease violated the statute of frauds, was executed without the Owner's authorization and had been fraudulently backdated. McLean cross-complained, alleging causes of action for breach of the covenant of quiet enjoyment, elder abuse and intentional and negligent infliction of emotional distress. The lease contained an attorney fee provision, in the event an action was brought involving the lease.

Each party filed a motion for summary judgment and the court granted each side's motions. McLean and Huth requested an award to them of costs and recovery of their reasonable attorney fees. The Court entered judgment and awarded costs of approximately $2,500 to McLean and Huth pursuant to Code of Civil Procedure section 1032 (section 1032), but concluded there was no prevailing party under Code of Civil Procedure section 1717 (section 1717) and declined to award them attorney fees. McLean and Huth appealed from the judgment only with respect to the denial of attorney fees.

The Court affirmed as to McLean, but reversed as to Huth. Both Zintel's complaint, and McLean's cross-complaint involved claims expressly based on the lease agreement. There was no absolute or complete winner between those two litigants. Accordingly, the court was obligated to determine whether there was a prevailing party under section 1717: "[I]n deciding whether there is a 'party prevailing on the contract,' the trial court is to compare the relief awarded on the contract claim or claims with the parties' demands on those same claims and their litigation objectives as disclosed by the pleadings, trial briefs, opening statements, and similar sources. The prevailing party determination is to be made only upon final resolution of the contract claims and only by 'a comparison of the extent to which each party ha[s] succeeded and failed to succeed in its contentions.'" (*Hsu v. Abbara* (1995), 9 Cal.4th 863, 876.) Where neither party achieves a complete victory, the trial court has discretion to determine "which party prevailed on the contract or whether, on balance, neither party prevailed sufficiently to justify an award of attorney fees." (*Scott Co. v. Blount, Inc.* (1999) 20 Cal.4th 1103, 1109.) If the court concludes that the defendant's cross-action against the plaintiff was essentially defensive in nature, it may properly find the defendant to be the party prevailing on the contract".) McLean's cross-complaint sought monetary damages unrelated to the complaint, expanded discovery and led to substantial briefing. Given the nature of the cross-complaint and the affirmative relief it sought and the mixed results obtained by McLean in the litigation, the Court found that the trial court did not abuse its discretion in determining McLean was not a prevailing party.

The Court agreed with Hugh's contention that his complete defeat of Zintel's complaint entitled him to a prevailing party designation. It found the trial court had no discretion to determine he was not the prevailing party and deny his request for attorney fees based on "the unity of interest" between him and his mother. Hugh was the prevailing party under section 1032. Because the award of costs to Huth under section 1032 was mandatory, the trial court had no discretion to deny his request for attorney fees under the terms of the parties' lease agreement. Unlike McLean, Huth was necessarily the prevailing party under section 1717, subdivision (b)(1): "[W]hen the results of the litigation on the contract claims are not mixed—that is, when the decision on the litigated contract claims is purely good news for one party and bad news for the other ...a trial court has no discretion to deny attorney fees to the successful litigant." (Hsu, supra, 9 Cal.4th at pp. 875-876.). The Court found that the trial court had broad discretion to apportion fees, and that Huth may recover only reasonable attorney fees incurred in his defense of the action by Zintel.

The Court affirmed as to McLean, but reversed as to Huth and remanded for a determination of the reasonable attorney fees to which Huth is entitled.

COMMENT

The Court ruling ensures that even when there may be a unity of interest among parties, where a contract allows for attorney fees, a court must exercise its discretion and award attorney fees to a prevailing party.

Pet Owners Can Recover Damages for Emotional Distress Caused by Another's Intentional Act

David Plotnik, et al. v. John Meihaus, Jr., et al.

California Court of Appeal, Fourth Appellate District
August 31, 2012

Crdit to: Low, Ball & Lynch, San Francisco, CA

In the past, California courts have not recognized a right to recover emotional distress damages for injuries to one's pets or animals. Here, the court held that a pet owner may recover for mental suffering caused by another's intentional act that injures or kills his or her pet.

Plaintiffs David and Joyce Plotnik sued their neighbor defendant John Meihaus, Jr. ("Meihaus") and his two sons, defendants Greg Meihaus and John Meihaus, III for both contract and tort claims arising out of several incidents with their neighbor, including injury to their dog.

Shortly after moving into a home with a rear portion that abutted Meihaus' lot, plaintiffs claimed problems with the Meihaus family and built a six-foot fence along the properties' common boundary. The Meihaus family sued plaintiffs and the community association. That lawsuit resolved by a written settlement.

Soon after the settlement, a number of incidents occurred between the parties which eventually escalated when plaintiffs' miniature pinscher, Romeo, ran into Meihaus' backyard. David Plotnik then heard Romeo "[bark] and then squeal" and then he saw Romeo "[roll] down the slope and through the open gate and hit a tree." Meihaus said he used a baseball bat and "guide[d]" plaintiffs' dog back to their yard. Although Meihaus denied hitting Romeo, he eventually needed surgery to repair his leg and a stroller to help him get around after the surgery. The surgery cost $2,600 and the stroller cost $209.53.

Later that same afternoon, Greg Meihaus and John Meihaus III confronted David Plotnik for 10 minutes. They called him various derogatory names and said "We are going to kill your dog." David Plotnik testified that he was scared and began shaking.

The jury awarded David Plotnik over $175,000 against the three defendants and Joyce Plotnik over $255,000 against Meihaus. The awards included emotional distress damages resulting from Romeo's injury. Plaintiffs were also awarded $93,780 in attorney fees against Meihaus on the breach of contract claim. The court entered an amended judgment after plaintiffs accepted a remittitur reducing the damage awards. Defendants appealed both the original and amended judgments.

The Court reduced parts of the award after finding the awards duplicative or unsupported by evidence. The Court upheld the award concerning the attack on Romeo under the theory that plaintiffs can recover under the trespass to personal property cause of action for the emotional distress they suffered from Meihaus' attack on Romeo with a baseball bat. Dogs are personal property. (*Johnson v. McConnell* (1889) 80 Cal. 545, 548-549); Pen. Code, Section 491; Civ. Code, Section 3340.) The Court pointed out that under the claim of trespass to personal property one is generally allowed to "recover only the actual damages suffered by reason of the impairment of the property or the loss of its use. [Citations.]" (*Zaslow v. Kroenert*, 29 Cal.2d 541, 551) In *Kimes v. Grosser* (2011) 195 Cal.App.4th 1556, 1558 the court held that a pet owner could recover "the [reasonable and necessary] costs of care of the pet attributable to the injury" caused by another.

Under the circumstances of this case, the Court said good cause exists to allow the recovery of damages for emotional distress. The Court pointed to *Johnson v. McConnell*, *supra*, 80 Cal. 545, 549 where dogs were described as "[having] nearly always been held 'to be entitled to less regard and protection than more harmless domestic animals,' it is equally true that there are no other domestic animals to which the owner or his family can become more strongly attached, or the loss of which will be more keenly felt." Additionally, "one can be held liable for punitive damages if he or she willfully or through gross negligence wrongfully injures an animal. (Civ. Code, Section 3340.) "Intentionally maiming, mutilating, torturing, or wounding an animal also constitutes a crime. (Penal Code, Section 597(a)).
(continued on page 7)

Case of the Month: The Damaged Driveway

Credit to Garrett Engineers, Glendale, CA.

The homeowner's residence suffered a recent water line failure. One of the concrete pads was also said to be recently cracked, possibly as a result of a broken water line. The homeowner submitted an insurance claim for the recent damage to their driveway.

The residence was built circa 1978, with an attached two-car garage. The driveway between the street and the garage was composed of four concrete pads.

GEI was assigned to review the supplied water line detection and repair documents and to inspect the site to identify and determine the predominant cause and approximate age of the observed damage to the concrete pads.

Our expert inspected the residence in the presence of the homeowner, who noted that cracking was evident on the slab following repairs to a broken water line. The property was a single-family, timber-framed building, aligned facing east on the principally north-south street. Only the front area outside the residence was inspected, comprising concrete pads fronting the garage. Our expert took a series of photographs and measurements of the site to document his observations.

The garage entry driveway exceeded the width of the garage door, thereby incorporating entry to the side gate also. The affected parking pad was that of the south-west corner, adjacent to the garage where the homeowner stated that a crack, principally east-west in direction, had appeared in response to her husband having parked his vehicle outside the garage on the driveway. All four pads had differing levels of cracking and damage to them, which was acknowledged by the homeowner.
The claimed newer cracking observed was principally east-west from the garage to the street, approximately along the mid-line of that south-west pad of the four pads. That newer cracking formed a junction with some acknowledged older cracking, aligned north-south.

Because the other cracking was acknowledged to be pre-existing, the expert took particular note of the age of the edges of the claimed newer cracking. In cases where concrete has recently (within the last one to two months) cracked, the concrete edges show a bright fresh appearance. The edges of cracking thus formed are matching in all respects on each side of such crack and there are rarely, if ever, missing sections of concrete. The crack in such recent cases is normally clear of debris and does not include any plant growth. These same observations were absent from the cracking in the driveway of this particular home. The edges were not bright, there was debris in the depth of the crack, and the edges of the cracks exhibited missing sections, which were not in evidence in the near vicinity. Based on the expert's observations and experience with similar cracking, it was not probable that the stated cracking was recent. There was no evidence of tilting to the edges of the cracking, such as might result from water movement under the slab to create consolidation of the soils in an uneven pattern (tipping the slab either upwards or downwards), and it was probable that the cause of the cracking was the same cause as had affected the cracking to other slabs in the area, namely, gross ground movement.

In reviewing the documentation supplied, it was apparent that the insurance claim was being made to cover the cost of replacing all four pads, on the basis that all four pads were cracked. It was evident from the inspection that all four pads had cracked because of ground movement. Water movement under one of the pads was not responsible as a cause of consolidation of the soils under one slab to have resulted in the observed cracking.

Based on the foregoing, it was the expert's opinion that the predominant cause of the claimed pad damage was large ground movement over a protracted period of time. The damage was not caused by the broken water pipe, but was instead the result of long-term earth movement consistent with the other visible damage. The approximate age of the observed damage was not less than six months prior to the date of inspection.

FAMILY MEMBERS CONVICTED IN CENTRAL VALLEY WORKERS' COMPENSATION FRAUD CASE

Father, Daughter from Bakersfield Ordered to Repay Over $600,000 in Restitution

Insurance Commissioner Dave Jones today announced that Jerry Buffington, 69, and Cynthia Russell, 47, have pled guilty in Kern County Superior Court to one count each of workers' compensation insurance premium fraud and eight counts each of tax evasion. Buffington and Russell were ordered to pay restitution to State Compensation Insurance Fund in the amount of $475,100 and $127,899 to the Employment Development Department (EDD). Both have been ordered to serve 10 years probation.

According to detectives from the California Department of Insurance (CDI) Fraud Division, Buffington was the owner and President of Safehome, Inc. Buffington's daughter, Cynthia Russell, was the Chief Financial Officer for the business. Their guilty pleas are a result of an investigation led by CDI's Fraud Division while working with the San Joaquin Valley Premium Fraud Task Force, which is a coalition of multiple agencies working together to investigate workers' compensation insurance premium fraud and tax evasion cases. The coalition consists of District Attorney Offices from the counties of, Kern, Fresno, Tulare, Kings, and Merced. CDI's Fraud Division, EDD Investigation's Division, and the National Insurance Crime Bureau are also in the coalition.

On November 7, 2007, State Compensation Insurance Fund (SCIF) discovered Safehome, Inc. was under-reporting their employee payroll in order to avoid paying the proper premium. An audit was completed and indicated that Safehome, Inc. had failed to pay the proper premiums for their workers' compensation policy in the amount of $477,285. Additionally, SCIF determined the business was operating out of its classification which was registered as an alarm company yet several employees were operating as roofers. The payroll related to the roofing portion of the business was never reported to either SCIF or EDD. During the investigation a separate set of payroll records was located and corroborated the evidence that the business had not reported payroll to SCIF and EDD as required. The Task Force investigated the case and filed a complaint with the Kern County District Attorney's Office who charged the two with insurance fraud and tax evasion.

Buffington was convicted of one felony count for violating Insurance Code Section 11880(a), False or Fraudulent Statement, four felony counts for violating Unemployment Insurance Code Section 2117.5, Failure to File Return or Report, and four felony counts for violating Unemployment Insurance Code Section 2118.5, Failure to Collect or Pay Taxes.

Cynthia Russell was convicted of one felony count for violating Insurance Code Section 11880(a), False or Fraudulent Statement, four felony counts for violating Unemployment Insurance Code Section 2117.5, Failure to File Return or Report, and four felony counts for violating Unemployment Insurance Code Section 2118.5, Failure to Collect or Pay Taxes. In addition, she was ordered to perform 400 hours of community service.

The Kern County District Attorney's Office prosecuted the case.

(continued from page 5)

The Court also noted that other states have allowed pet owners to recover for emotional distress caused by another's wrongful acts which resulted in the pet's injury or death.

The Court distinguished the negligence-based claims and denied the emotional distress damages from those claims. For one of the negligence based claims, the Court relied on *McMahon v. Craig* (2009) 176 Cal. App. 4th 1502 where the court held a pet owner could not recover damages for emotional distress or loss of companionship based on a veterinarian's negligent treatment that resulted in a dog's death. "Regardless of how foreseeable a pet owner's emotional distress may be in losing a beloved animal, we discern no basis in policy or reason to impose a duty on a veterinarian to avoid causing emotional distress to the owner of the animal being treated..." (*Id*. at p. 1514.)

Therefore, the Court upheld both the economic and emotional distress damages plaintiffs recovered from Meihaus' intentional act of striking Romeo with the baseball bat.

COMMENT

Courts have recently allowed recovery of substantial medical bills for an injured pet. Expanding on this, the present case opens the door on recovery of emotional distress damages for actions involving injuries to pets, at least where the defendant acts intentionally.

INSURANCE COMMISSIONER DAVE JONES ANNOUNCES ARREST OF LOS ANGELES COUNTY EDUCATOR FOR WORKERS' COMPENSATION INSURANCE FRAUD

Para-Educator Allegedly files Fraudulent Claim after Breaking up Fight

Insurance Commissioner Dave Jones today announced that Gerard Padilla, 45, an employee of the Los Angeles County Office of Education has been arrested and charged with five felony counts of workers' compensation insurance fraud. Padilla was arrested by Detectives with the California Department of Insurance (CDI) Fraud Division with the assistance of Officers from the Los Angeles County Probation Department. He was booked at the Los Angeles County Sheriff Department's Lancaster Station with bail set at $120,000.

According to CDI detectives, while employed by the Los Angeles County Office of Education as a Para-Educator (teaching assistant), Padilla filed a workers' compensation claim alleging he injured his back while helping break up a physical altercation in a classroom. At the time of the claim Padilla was assigned to the Antelope Valley Principle Administrative Unit. However, the investigation discovered that Padilla was not injured at work and in addition, he did not offer any proof of injury unrelated to work.

Detectives learned that on March 30, 2009, Padilla was seen by a physician for an initial medical evaluation. He again stated he was hurt while breaking up the fight at school. On April 15, 2009 Padilla provided false statements regarding the injury to a private investigator that was contracted to conduct an investigation into Padilla's alleged injury. On December 3, 2009, during a deposition, Padilla allegedly provided false testimony regarding the injury. The investigation concluded that Padilla fabricated the story about being injured while breaking up a fight at work, and then he allegedly lied to both doctors and investigators.

Padilla has been charged with five felony counts: four counts for violating Insurance Code Section 1871.4 (A) (1), Workers' Compensation Insurance Fraud; and one count for violating Penal Code Section 664-118(A), Attempted Perjury. If convicted on all counts, he could face up to five years in State Prison.

Penn. Woman Arrested for Allegedly Adding Coverage While in Ambulance
Credit to: Insurance Journal

A Philadelphia woman was arrested last Friday on allegations that immediately following a car accident and while still in an ambulance, she called her insurer to add comprehensive collision coverage to her insurance policy.

She is charged with one count of insurance fraud and one count of criminal attempt to commit theft by deception.

Copy this address for complete article: http://www.insurancejournal.com/news/east/2012/10/22/267405.htm

Lawsuit Over Fatal Washington Goat Attack Dismissed
Credit to :Insurance Journal

A man was trying to protect his wife and a friend when the 370-pound billy goat gored him. The goat is believed to have been one that harassed Olympic National Park visitors for years.
His wife accused the government of negligence in its management of the goat.

Copy this address for the complete article: http://www.insurancejournal.com/news/west/2012/10/18/267073.htm

On the Lighter Side...

This has got to be one of the cleverest
E-mails I've received in a while.
Someone out there must be "deadly" at *Scrabble*.

PRESBYTERIAN:
When you rearrange the letters:
BEST IN PRAYER

ASTRONOMER:
When you rearrange the letters:
MOON STARER

DESPERATION:

When you rearrange the letters:
A ROPE ENDS IT

THE EYES:
When you rearrange the letters:
THEY SEE

THE MORSE CODE:
When you rearrange the letters:
HERE COME DOTS

DORMITORY:
When you rearrange the letters:
DIRTY ROOM

SLOT MACHINES:
When you rearrange the letters:
CASH LOST IN ME

ANIMOSITY:
When you rearrange the letters:
IS NO AMITY

ELECTION RESULTS:
When you rearrange the letters:
LIES - LET'S RECOUNT

SNOOZE ALARMS:
When you rearrange the letters:
ALAS! NO MORE Z 'S

A DECIMAL POINT:
When you rearrange the letters:
I'M A DOT IN PLACE

THE EARTHQUAKES:
When you rearrange the letters:
THAT QUEER SHAKE