

**STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS  
DEPARTMENT OF BUSINESS REGULATION  
DIVISION OF INSURANCE  
1511 PONTIAC AVENUE, BUILDING 69-2  
CRANSTON, RI 02920**

**IN THE MATTER OF:**

**ANTHONY OLAES**

**RESPONDENT.**

**DBR No. 2018-IN-001**

**EMERGENCY ORDER TO CEASE AND DESIST FROM  
UNLICENSED ACTIVITY AND  
ORDER TO SHOW CAUSE WHY ORDERS SHOULD NOT ISSUE  
TO CEASE AND DESIST, TO REVOKE AND TO PAY PENALTIES;  
NOTICE OF HEARING AND APPOINTMENT OF HEARING OFFICER**

The Director issues this Emergency Order to Cease and Desist from Unlicensed Activity and Order to Show Cause, Notice of Hearing and Appointment of Hearing Officer for the following reasons:

1. Based on a complaint and other information received by the Department, as detailed below, the Department believes that Mr. Olaes has been soliciting consumers in Rhode Island to engage his services as an unlicensed public adjuster, that he has attempted to adjust claims on behalf of consumers in Rhode Island as an unlicensed public adjuster, that consumers have been harmed by his actions, and that he has failed to adequately respond to inquiries from the Department. For these reasons, the Department believes there is sufficient risk to the public's health, safety or welfare to require emergency action.

2. Respondent Anthony Olaes ("Mr. Olaes" or "Respondent"), currently holds a Rhode Island license as an Independent Adjuster, National Producer Number 7560044 and Rhode Island License Number 1049878.

3. An Independent Insurance Adjuster license qualifies Mr. Olaes to contract for compensation with insurers or self-insurers as an independent contractor to perform services on behalf of such insurers; or to investigate, negotiate or settle property, casualty or workers' compensation claims for insurers or self-insurers.

4. Respondent Olaes is not currently licensed as a public insurance adjuster. A licensed public insurance adjuster, also known as a public adjuster, performs services on behalf of insureds.

5. Respondent Olaes has held himself out to insurers as a "property adjuster/consultant."

**First RI Consumer**

6. In July 2018, the Department received a complaint from a consumer in Foster, RI about Mr. Olaes regarding his engagement of Mr. Olaes as a public adjuster. The complaint involved Mr. Olaes's actions in attempting to negotiate with an insurer as well as the consumer relying on Mr. Olaes for his expertise as a public adjuster. The Respondent was known to the complainant from prior business dealings, and the complainant understood that the Respondent was public adjuster from those dealings.

7. When the Department asked Mr. Olaes for a response to the complaint in addition to specific questions relating to his role, he failed to rebut any of the specific allegations from the complainant regarding his unlicensed activity.

8. The Foster consumer's insurance claim involved a dangerous condition in his home from an electrical surge. The involvement of an unlicensed and unqualified public adjuster in the claims process has unnecessarily complicated the consumer's claims process and exposed him to additional costs, impacted where his family lived, and caused additional questions

concerning the completeness and safety of the repairs. This consumer has not yet completed his claim process in large part because of the involvement of Respondent.

### **Second RI Consumer**

9. In May and July 2017, Mr. Olaes sent numerous emails to an insurer on behalf of an insured concerning a wind related claim for a homeowner in North Providence. The emails show that Respondent Olaes was working on behalf of an insured, negotiating with the insurer and attempting to settle an insurance claim.

10. Mr. Olaes made clear to this consumer that Respondent Olaes was representing the consumer and acting as the consumer's adjuster, as evidenced in several emails in February and March 2018. The insurer indicated that the consumer must contact the insurer directly, and each time the consumer tells the insurer to speak with Tony [Mr. Olaes]. In one email, the insured states:

“[insurer], you can contact Tony anytime for an inspection. You have been told this 5 or 6 times now. So again please contact Tony so we can move fowerd [sic] with this claim. He is a licensed adjuster in the state of ri and it is my rite [sic] to consult with him and have him handle my claim... Please contact Mr. Olaes so the inspection can be done.”

11. In the same February and March 2018 emails, the insurer made clear to the consumer that it would not work with Respondent Olaes, or that they would only discuss the insurance claim with Respondent Olaes with written permission from the insured and provided Respondent submitted a signed affidavit that he was *not* being compensated for his services. On information and belief, Mr. Olaes never submitted such an affidavit.

### **Third RI Consumer**

12. A different consumer submitted an email to their insurer informing that Mr. Olaes had “permission to continue with my Claim#... and I agree to... terms and 10%.” Ten percent (10%) is the largest fee that a public adjuster is allowed to collect under Rhode Island insurance regulations.

13. In an email exchange with the Department in March and April 2018, Respondent Olaes admitted to consulting with individual insureds and providing advice regarding insurance contract disputes between insureds and their insurance companies. He also admitted that he did this to make a living.

14. Respondent Olaes has been holding himself out as and performing acts in Rhode Island that require licensure as a public insurance adjuster through direct solicitation of consumers as well as through his website and a page on Facebook.com.

15. On information and belief, Mr. Olaes is not exempt from licensure under any of the clauses contained within R.I. Gen. Laws § 27-10-2.

16. Neither of the self-designated titles “property adjuster” or “consultant” authorizes Mr. Olaes to negotiate benefits under an insurance contract on behalf of insureds with an insurer.

**Relevant Rhode Island Laws and Regulations**

17. R.I. Gen. Laws § 27-10-1.2(a) states: “A person shall not act or hold himself out as a public, company or independent adjuster in this state unless the person is licensed in accordance with this chapter.”

18. R.I. Gen. Laws § 27-10-1.1(i) states: “(i) "Public adjuster" means any person who, for compensation or any other thing of value on behalf of the insured:

(1) Acts or aids, solely in relation to first-party claims arising under insurance contracts that insure the real or personal property of the insured, other than automobile, on behalf of an insured in negotiating for, or effecting the settlement of, a claim for loss or damage covered by an insurance contract;

(2) Advertises for employment as a public adjuster of insurance claims or solicits business or represents himself or herself to the public as a public adjuster of first-party insurance claims for losses or damages arising out of policies of insurance that insure real or personal property; or

(3) Directly or indirectly solicits business, investigates or adjusts losses, or advises an insured about first-party claims for losses or damages arising out of policies of

insurance that insure real or personal property for another person engaged in the business of adjusting losses or damages covered by an insurance policy, for the insured.”

19. R.I. Gen. Laws § 27-10-12(a) lists numerous reasons that a Claim’s Adjuster license can be revoked, including the following:

2. “Violating any insurance laws, or violating any regulation, subpoena, or order of the insurance commissioner.”

8. “Using fraudulent, coercive, or dishonest practices; or demonstrating incompetence, untrustworthiness or financial irresponsibility in the conduct of business in this state or elsewhere.”

20. 230-RICR-20-50-4.11 of the Department’s Insurer Claims Adjuster Regulation contains additional requirements governs the conduct of public adjusters, including the limitation on fees in 4.11(A):

3. “No public adjuster shall charge, agree to or accept as compensation or reimbursement any payment, commission, fee, or other thing of value equal to more than ten percent (10%) of any insurance settlement or proceeds.”

21. 230-RICR-20-50-4.12(A) lists an additional reason that the Department may revoke a claims adjuster license, including:

1. “Failing to respond to any written inquiry (including electronic communications) from the Department within 21 calendar days of receipt of such inquiry.”

22. R.I. Gen. Laws § 42-14-16(a) gives the Director authority over “any person or entity conducting any activities requiring licensure under title 27,” with provisions thereunder authorizing the assessment of fines and the issuing of Cease and Desist Orders.

23. R.I. Gen. Laws § 42-35-14(c) articulates that if “the agency finds that public health, safety, or welfare imperatively requires emergency action, and incorporates a finding to that effect in its order, summary suspension of license may be ordered pending proceedings for revocation or other actions.”

Wherefore, based on the foregoing, the Director finds that due to the serious nature of the alleged violations attributed to Respondent in this Order, the public health, safety and welfare imperatively requires the issuance of this order.

Accordingly, it is hereby ORDERED as follows:

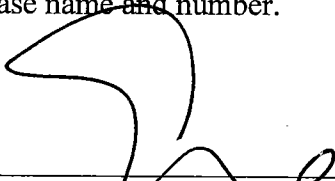
- I. Respondent shall immediately Cease and Desist soliciting, advertising, and providing his services as an unlicensed public adjuster pursuant to R.I. Gen. Law § 42-14-16(a)(3) and § 42-35-14(c).
- II. Respondent shall appear before a Hearing Officer at the Department on September 14, 2018 at 9:30 a.m. at the Department's offices located at 1511 Pontiac Avenue, Cranston, Rhode Island 02920 for a prehearing conference pursuant to 230-RICR-10-00-2.5 of the Department's Rules of Procedure for Administrative Hearings as to why the Director should not issue a Cease and Desist Order making permanent the Emergency Cease and Desist Order pursuant to R.I. Gen. Law § 42-14-16(a)(3).
- III. Respondent shall appear before a Hearing Officer at the above noticed prehearing conference and show cause why an order should not enter revoking his independent insurance claims adjuster license pursuant to R.I. Gen. Law § 42-14-16(a)(1).
- IV. Respondent shall appear before a Hearing Officer at the above noticed prehearing conference and show cause why the Director should not issue whatever penalty is determined to be appropriate pursuant to R.I. Gen. Laws § 42-14-16(a)(2).

The Director hereby appoints Catherine R. Warren, Esq. as Hearing Officer for the purpose of conducting the hearing and rendering a decision in this matter. The proceedings

shall be conducted in conformity with 230-RICR-10-00-2 and R.I. Gen. Laws §§ 42-35-1 *et seq.*

If you have any questions regarding the subject matter of the hearing, please contact Matthew Gendron, Esq. at (401) 462-9540 and reference the case name and number.

Dated this 20 day of August 2018.

  
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Elizabeth M. Tanner, Director

All are welcome at the Rhode Island Department of Business Regulation ("DBR"). If any reasonable accommodation is needed to ensure equal access, service or participation, please contact DBR at 401-462-9551, RI Relay at 7-1-1, or email [DBR.DirOfficeInq@dbr.ri.gov](mailto:DBR.DirOfficeInq@dbr.ri.gov) at least three (3) business days prior to the meeting.

### CERTIFICATION

I hereby certify that on this 20<sup>th</sup> day of August 2018, a copy of this Order to Show Cause, Notice of Hearing and Appointment of Hearing Officer was sent to the following:

By first class mail postage prepaid and certified mail to the following addresses that Mr. Olaes has listed in his licensing file with the Department:

Anthony D. Olaes 35 BARREN HILL DR WARWICK, RI 02886-2103	Anthony D. Olaes c/o FARM FAMILY INSURANCE 344 ROUTE 9 W. GLENMONT, NY 12077
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By Electronic Delivery via Email Address: [tonyolaes17@gmail.com](mailto:tonyolaes17@gmail.com);  
<mailto:tonyolaes@yahoo.com>; [Elizabeth.Dwyer@dbr.ri.gov](mailto:Elizabeth.Dwyer@dbr.ri.gov); [Catherine.Warren@doa.ri.gov](mailto:Catherine.Warren@doa.ri.gov),  
[Matthew.Gendron@dbr.ri.gov](mailto:Matthew.Gendron@dbr.ri.gov); and [Rachel.Chester@dbr.ri.gov](mailto:Rachel.Chester@dbr.ri.gov).

  
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