



LOUISIANA DEPARTMENT OF INSURANCE
Fraud Division

CEASE AND DESIST ORDER
AND
SUMMARY SUSPENSION
PUBLIC ADJUSTER LICENSE #576993

August 16, 2022

Andrew Joseph Mitchell
1500 Marina Bay Drive, Bldg. 122A
Clear Lake Shores, TX 77565-2575

Article No. 7020 3160 0000 1369 7186

Andrew Joseph Mitchell
2511-B Nasa Parkway, Ste. A-106
Seabrook, TX 77586

Article No. 7020 3160 0000 1369 7193

Andrew Joseph Mitchell
2945 N Island Dr
Seabrook, TX 77586-1636

Article No. 7020 3160 0000 1369 7209

Email: drew@mitchelladjusting.com
billing@mitchelladjusting.com

WHEREAS, IT HAS COME TO MY ATTENTION, as Commissioner of Insurance (Commissioner) of the Louisiana Department of Insurance (LDI), that Andrew Joseph Mitchell has violated certain provisions of the Louisiana Insurance Code, Title 22, La. R. S. 22:1 *et. seq.* As used hereinafter, "you" and "your" refer to Andrew Joseph Mitchell. Your activity violates Title 22 and poses a danger to the business of insurance in Louisiana. Accordingly, pursuant to the power and authority vested in me as the Commissioner, I issue this Cease and Desist Order and Notice of Summary Suspension based on the following, to wit:

FACTS

Andrew Joseph Mitchell was initially licensed on May 7, 2020, as a non-resident public adjuster by the LDI, license number 576993, and currently maintains an active license.

The LDI issued a Cease and Desist Order and Summary Suspension to Mitchell Adjusting International, LLC and Kade Austen Mitchell on July 22, 2022 for having improperly withheld, misappropriated, or converted monies received in the course of doing insurance business.

The LDI previously received information and documentation indicating that Nationwide issued two checks on March 16, 2022 totaling \$150,000.00 made payable to the insured, the mortgage holder, and Mitchell Adjusting International, LLC. These checks were determined to have been negotiated

by Mitchell Adjusting International, LLC; however, the insured indicated that they have not received any funds from Mitchell Adjusting International, LLC.

On July 28, 2022, after the issuance of the Cease and Desist Order and Summary Suspension for Mitchell Adjusting International, LLC, the LDI received two emails from drew@mitchelladjusting.com. The first email stated the following:

"Per the email sent on 07.09.22, I clearly explained as a representative of Mitchell Adjusting that the insurance check would be issued back to the policyholder within 30 days or less. Regarding our response, we clearly thought the email below was a response to the written letter we received last week, as well as, the phone conversations we had in June regarding this matter with your department. The policyholder agreed for us to deposit the funds and issue to their general contractor. Unfortunately, we had an issue with our bank account as stated in the email below. We have issued the check back to the policyholder WITHOUT any public adjusting fees. Thank you.

Drew Mitchell"

Attached to the email was an electronic copy of a Texas Citizens Bank N.A. check, number 1010. The check was dated July 26, 2022, in the amount of \$150,000.000, made payable to the insured, and was drawn on the account of Mitchell Adjusting International LLC.

Investigation was made into the funds availability of the Mitchell Adjusting International, LLC account for which check number 1010 was to be drawn. Determination has been made that the check has not been negotiated and the account does not have sufficient funds to pay the amount of the check, based on the representation made by the banking institution the check is to be drawn on.

The LDI also received information and documentation indicating that State Farm issued a check on January 28, 2022 in the amount of \$117,441.43 related to an insurance claim on which Mitchell Adjusting International LLC provided public adjusting services. This check was made payable to the insured, the mortgage holder, and Mitchell Adjusting International, LLC. The check was determined to have been negotiated by Mitchell Adjusting International, LLC on February 11, 2022. However, the insured indicated that she has not received any funds from Mitchell Adjusting International, LLC.

On July 28, 2022, a second email was received by the LDI from drew@mitchelladjusting.com related to the \$117,441.43 claim payment made by State Farm stating the following:

"Per the email below on 07.09.22, we stated that the policyholder endorsed the check and gave to us to endorse/deposit and issue back to them. Just like the previous compliant, I stated on the phone that we would probably have everything finalized and sent out within 30 days. See attached check sent out. Thank you.

Best Regards,

Andrew (Drew) J. Mitchell"

Attached to this email were electronic copies of two Texas Citizens Bank N.A. checks dated July 26, 2022. Check number 1011 was written for \$35,257.00 and check number 1012 was written for \$82,184.43. Both checks were drawn on the account of Mitchell Adjusting International LLC.

Investigation was made into the funds availability of the Mitchell Adjusting International, LLC account for which check numbers 1011 and 1012 were to be drawn. Determination has been made that the checks have not been negotiated and the account does not have sufficient funds to pay the amount of either check based on representations made by the banking institution the check is drawn on.

LDI records indicate that the email address utilized to transmit the checks written on the account of Mitchell Adjusting International, LLC, drew@mitchelladjusting.com, is associated with you, Andrew Joseph Mitchell In the LDI's records management system. The checks supplied by you via email, and the representation made by you, purporting the return of the claim payments misappropriated by Mitchell Adjusting International, LLC have been determined by the LDI to be false or fraudulent. Your email to the LDI indicates to the LDI that you are associated with and a representative of Mitchell Adjusting International, LLC. Additionally, you identified yourself as a principal to having improperly withheld, misappropriated, or converted monies received in the course of doing business based on your email response.

LAW

La. R. S. 22:2 maintains in pertinent part:

§2. Insurance regulated in the public interest

A. (1) Insurance is an industry affected with the public interest and it is the purpose of this Code to regulate that industry in all its phases.... It shall be the duty of the commissioner of insurance to administer the provisions of this Code.

Pursuant to La. R.S. 22:18, the Commissioner is authorized to order any, insurer, person, or entity to cease and desist any such action that violates any provision of the Louisiana Insurance Code as listed in Title 22 of the Louisiana Revised Statutes. Pursuant to La. R.S. 22:1691 et seq., the Commissioner is authorized to take certain regulatory actions against any person who is ...charged with a violation of this Part of the Louisiana Insurance Code as listed in Chapter 5, Producers and Other Regulated Entities Part VI. Public Adjusters. These actions are designed to assist the Commissioner in administering the provisions of the Insurance Code.

Based on the foregoing you are in violation of the below listed statutes of the Louisiana Insurance Code.

La. R.S. 22:44 maintains in pertinent part:

§ 44. False or fraudulent material information

A. It shall be unlawful for any person to intentionally and knowingly supply false or fraudulent material information pertaining to any document or statement required by the Department of Insurance.

B. Whoever violates the provisions of this Section shall be imprisoned, with or without hard labor, for not more than five years, or fined not more than five thousand dollars, or both.

La. R.S. 22:1700 maintains in pertinent part:

§ 1700. License denial, nonrenewal, or revocation

A. The commissioner of insurance may place on probation, suspend, revoke, or refuse to issue, renew, or reinstate a public adjuster's license and may levy a fine not to exceed five hundred dollars for each violation occurring, up to ten thousand dollars aggregate for all violations in a calendar year, unless a fine is established by separate statute in this Title authorizing a greater penalty, or any combination of actions, for any one or more of the following causes:

(2) Violating any insurance laws, or violating any regulation, subpoena, or order of the commissioner of insurance or of another state's insurance commissioner.

(4) Improperly withholding, misappropriating, or converting any monies or properties received in the course of doing insurance business.

La. R.S. 22:1923 maintains in pertinent part:

§1923. Definitions

(2) "Fraudulent insurance act" shall include but not be limited to acts or omissions committed by any person who, knowingly and with intent to defraud:

(m) Receives money or any other thing of value from any person, firm, or entity as a means of compensation for the acts of solicitation or criminal conspiracy done for the purpose of executing a scheme or artifice to defraud a person.

(e) Supplies false or fraudulent material information pertaining to any document or statement required by the Department of Insurance.

La. R.S. 22:1924 maintains in pertinent part:

§1924. Prohibited activities and sanctions

A.(1)(a) Any person who, with the intent to injure, defraud, or deceive any insurance company, or the Department of Insurance, or any insured or other party in interest, or any third-party claimant commits any of the acts specified in Paragraph (2) or (3) of this Subsection is guilty of a felony and shall be subjected to a term of imprisonment, with or without hard labor, not to exceed five years, or a fine not to exceed five thousand dollars, or both, on each count.

(2) The following acts shall be punishable as provided in Paragraph (1) of this Subsection:

(a) Committing any fraudulent insurance act as defined in R.S. 22:1923.

VIOLATIONS:

It has been determined that you have intentionally and knowingly supplied false or fraudulent material information pertaining to a document and statement required by the Department of Insurance. It has also been determined that you are a principal to having improperly withheld, misappropriated, or converted monies received in the course of doing insurance business. This is a violation of La. R.S. 22:44, La. R.S. 22:1700(A)(2) and (4), and La. R.S. 22:1924 (A)(1)(a) and (2)(a) as defined in La. R.S. 22:1923 (2).

BE ADVISED:

COMMISSIONER'S ACTION:

As a result of the investigation and documentation in possession of the LDI, and in accordance with La. R.S. 22:18, La. R.S. 22:1700(A) and La. R.S. 49:961, it has been determined that you are in violation of the statutes listed above and the public health, safety, or welfare imperatively requires emergency action, therefore, you are a danger to the insurance buying public to such a degree that **Public Adjuster License Number 576993** issued to Andrew Joseph Mitchell is hereby **SUSPENDED** effective immediately.

Furthermore, **Andrew Joseph Mitchell** is hereby ordered to **CEASE AND DESIST** from any and all activity in the business of insurance. This includes advertising the services of Andrew Joseph Mitchell within the business of insurance in any way. Any signs advertising your business must be removed or concealed. You cannot solicit business, whether by telephone, mail, webpage, television, radio, internet, flyer, business card, social media or in person. Failure to follow these directions may result in further administrative action by the Louisiana Department of Insurance and may subject you to an injunctive order from the appropriate state district court.

YOUR ACTION:

Be advised that this constitutes an administrative action and that it will be reported to the National Insurance Producer Registry. You may need to report this administrative action to other states in which you hold an active license. Contact that state's insurance department if you are unsure of the requirements.

Be advised that this constitutes an administrative action and that it will be reported to the National Insurance Producer Registry (NIPR). Be further advised that all actions taken on licenses, in accordance with La. R.S. 49:961 (C) and Regulation 120, shall take effect ten (10) calendar days from the date of issuance of the notice of regulatory action, unless otherwise provided in Title 22, and that cease & desist orders and summary suspension actions take effect immediately upon issuance. Please also take note that you may need to report this administrative action to other states in which you hold an active license. Contact that state's insurance department if you are unsure of the requirements.

Pursuant to La. R.S. 22:2191(A)(2), any person aggrieved by an act of the Commissioner may request a hearing. You must make a written demand for an appeal within thirty (30) days from the date of this notice. Failure to file a written demand for an appeal within thirty (30) days of this notice will preclude your right to an administrative hearing.

Pursuant to La. R.S. 22:2191(B), your written demand for an appeal (1) shall reference the particular sections of the statutes and rules involved; (2) shall provide a short and plain statement of the matters asserted for review; and (3) shall attach a copy of the order or decision that you are appealing. Appealing this notice does not stay the action of the Commissioner of Insurance. Pursuant to La. R.S. 22:2204 you must request and be granted a stay of this action by the Division of Administrative Law. Your request for a stay may be included in your appeal. Your written demand for an appeal shall be filed with the Louisiana Department of Insurance at the addresses below:

Louisiana Department of Insurance
Attn: J. David Caldwell, Executive Counsel
P. O. Box 94214
Baton Rouge, LA 70804-9214
Telephone: (225) 342-4673
Fax: (225) 342-1632

File in Person at:

1702 N. Third Street
Baton Rouge, LA 70802

Signed in Baton Rouge, Louisiana this 16th day of August 2022.

JAMES J. DONELON
COMMISSIONER OF INSURANCE
STATE OF LOUISIANA

BY:



Nathan Strebeck
Deputy Commissioner
Office of Insurance Fraud
Louisiana Department of Insurance
Telephone: (225) 219-5819

CERTIFICATE OF SERVICE

Article No. 7020 3160 0000 1369 7186

Article No. 7020 3160 0000 1369 7193

Article No. 7020 3160 0000 1369 7209

I hereby certify that I have this day served the foregoing document upon Andrew Joseph Mitchell by mailing a copy thereof properly addressed with postage prepaid, this 16th day of August 2022.



Heath Soileau, Compliance Investigator