

A F F I D A V I T of Daniel Cobble | Page 1 of 7

FEB. 11, 2012 | To County Sheriffs & Gov. Beshear

RE: **WHISTLE BLOWER COVER-UP; Insurance fraud, complicity, and conspiracy by officers of Louisville Transportation Co., Attorney Jonathan Dyar, Insurance Commissioner Clark, and Judge Irv Maze.**

I, Daniel L. Cobble (hereafter as **Cobble**), the undersigned, make the following statement as true & correct to the best of my knowledge:

1. KY Insurance Commissioner Sharon P. Clark is allowing the Louisville Transportation Co. (hereafter as **LTC**) to operate without being self-insured, but while LTC deceives the public that it is self-insured. (**See Pg. 6**)
2. On **Jan. 26, 2012**, Cobble filed a written *Response* pleading in Jefferson County Circuit Court, sub-titled *INTERLOCK [INDUSTRIES] IS COMMITTING INSURANCE FRAUD*, for vehicular accident case **11-ci-002752**. 11-ci-002752 is presided by Judge Irv Maze. As **ATTACHMENT #1** see Cobble's 6-page *Response* pleading, attached, hereto.
3. LTC **misrepresents** to accident victims, "You cannot sue us, because we are not persons {contrary to KRS 304.12-230}. And we are not an insurance company." Unreasonable settlements are then forced upon accident victims. **But a company cannot hold self-insurance licensing**; only group members representing that company can be certified as a liability self-insured group. Interlock is understood as a managing subsidiary of LTC.
3. Cobble was jailed on a fraudulent indictment a day after reporting this insurance fraud to Judge Irv Maze by Cobble's 1-26-2012 *Response*.
4. According to LTC Claims Adjuster **Elizabeth Leftwich**, LTC has at least 16 accident-victim cases pending in court.
6. Cobble's *Response* explains how the Louisville Transportation Co. (as LTC) is systematically committing insurance fraud upon the public by falsely claiming and implying it is legally self-insured. As **ATTACHMENT #2** see



Pages 2 & 4 of Attorney Jonathan Dyar's **Jan. 20, 2012 Memorandum for Motion for Summary Judgment** (hereafter as *Memorandum*) to dismiss Cobble's claims for Defendant Interlock Industries (hereafter as Interlock). Dyar so states in the first paragraph, "**LTC operates as a self-insured entity.**" As the managing subsidiary of LTC, Interlock processes LTC's accident claims.

7. Jonathan Dyar is the attorney for Interlock / LTC. Dyar is employed by the law firm Middleton Reutlinger, 2500 Brown & Williamson Tower, Louisville, KY 40202.

8. On **Monday Jan. 30, 2012**, at *Motion Hour*, Cobble reiterated his 1-26-2012 *Response* to Judge Maze, that Defendant Interlock Industries was violating the law, that it could be held liable for acting in bad faith. Cobble's *Response* explained in detail for Judge Maze of how LTC falsely claims itself as legally self-insured to accident victims. But in fact, LTC is not self-insured.

9. Then suddenly, the next day on **Jan. 31, 2012**, Cobble was arrested in Jefferson County, and falsely charged with filing two illegal liens. Any indictment, here, was improperly acquired from a grand jury, since Cobble has already requested jury trials to validate these same liens he has pending in civil court (Case 11-ci-005650). As **ATTACHMENT #3** see the 1-31-2012 *Arresting Citation, attached, hereto*. Cobble cannot be lawfully held for "criminal intent" of filling liens if he has already requested their validation to be verified from the court. – The grand jury recieved incomplete information.

10. The next day on **Feb. 1, 2012**, with Cobble freshly jailed, Irv Maze issued his order granting Dyar's 1-20-2012 *Motion* to dismiss Cobble's claims. Maze completely ignored Cobble's *Response*, evidence that LTC was committing insurance fraud. To wit, as **ATTACHMENT #4** see LTC's **Jan. 10, 2012 Certificate of Filing** (Licensing) showing that LTC did not



possess the license / certificate for self-insurance on April 5, 2011 when Cobble's vehicle t-boned a Cardinal cab that ran a stop-sign on Cobble. Cardinal Cab Co. is also owned by LTC.

11. As **ATTACHMENT #5** see Page 9 of Maze's 2-1-2012 order, dismissing Cobble's bad faith claims against Defendant Interlock (representing LTC). Maze ignored the fact that LTC is not even insured, much less that self-insured companies licensed in Kentucky are bound by Subtitle 12 statutes to not engage in deceptive insurance practices. KRS 304.48.240 so states:

*"Liability self-insurance groups **shall not commit unfair or deceptive acts or practices, as described in Subtitle 12 of this chapter, under its certificate of filing from the commissioner.**"* (Bold emphasis added.)

12. Under Subtitle 12, **KRS 304.12-230** so specifies the 17 unfair claims settlement practices of which LTC would be barred upon being self-insured. **Instead**, Maze's refusal to affirm Cobble's evidence (the 1-26-2012 *Response* as **AMENDMENT #1**) is covering-up LTC's fraud. This includes allowing LTC to continue to illegally operate without insurance.

13. Even the 1-10-2012 *Certificate of Filing* (**ATTACHMENT #4**) is **absent a Certificate sequence Number**, indicating LTC did not follow the self-insurance application process under KRS 304.48-050. That *Certificate of Filing* was acquired only after Cobble's **Jan. 6, 2012** deposition of Interlock Claims Adjuster **Elizabeth Leftwich**.

15. Subsequently, Cobble filed his **Jan. 20, 2010** *Motion to Compel* LTC's Certificate Number, but as shown from Judge Maze's 2-1-2012 order (as **ATTACHMENT #5**), Cobble's 1-20-2012 *Motion to Compel* was denied by Maze so that the question the Certificate number is also covered-up.



IDENTIFYING THE FRAUD

● Attorney Dyar's Con & Deception for LTC

15. As stated, at the 1-6-2012 deposition, Ms. Leftwich approximated that LTC has at-least 15 other accident cases in court. She claimed she did not know the exact number cases in court. Here again, Cobble's 1-20-2012 *Motion to Compel* requested their case numbers, but that *Motion* was denied by Judge Maze's 2-1-2012 order (**ATTACHMENT #5**).

16. Eight days after the 4-5-2011 car accident, Interlock offered to give only \$745 for replacing the Cobbles' vehicle while terminating their rental car. The Cobbles were then rendered without transportation, not given any time to search for a replacement vehicle.

17. The Cobbles then filed suit against Interlock [Industries] on **April 19, 2011** (as case 11-ci-002752). When Cobble offered, by retail verification, on **April 25, 2011** to accept \$3,200 (+ tax and licensing) as the fair-market value for his lost vehicle, Interlock still refused to settle that part of the property claim.

18. **On May 10, 2011** Maze issued an order denying Cobble's **April 29, 2011** Motion for Interlock to provide interim transportation. This occurred, even though Interlock admitted fault of the 4-5-2011 accident.

19. In **Dec. 2011**, Interlock's Attorney Dyar provided case-law *Davidson v. American Freightways, Inc.*, 25 S.W.3d 94 (Ky 2000), explaining that Interlock could not be held liable for acting in bad faith.

20. In December, Dyar indicated that at the "proper time," he would file his *Motion for Summary Judgment (w/ Memorandum, see as ATTACHMENT #2)* based on *Davidson vs. Amer. Freightways*. But after Cobble filed his **Jan. 10, 2012**-filed *Notice of Depositions*, Dyar then filed that *Motion for*



Summary Judgment on 1-20-2012. It's apparent to Cobble that Dyer did not want Cobble conducting a deposition on Interlock's lead Counsel **Jeff Mackin** to affirm Interlock's fraud. It's also apparent to Cobble that Dyer did not want Cobble to have further access to Interlock's suspicious and thus far questionable documents.

21. Under Kentucky court interpretation, American Freightways (**AF**) in *Davidson vs. Amer. Freightways* cannot be held liable for acting in bad faith in Kentucky. AF is headquartered in California, NOT Kentucky. In the referenced auto accident in *Davidson vs. Amer. Freightways*, **AF was an "out-of-state traveler"** with no logistics hubs or offices in Kentucky.

22. **On the other hand**, LTC is based in Kentucky, and thus LTC is subjected to Kentucky insurance laws. Thus, LTC is required to be insured by an insurance carrier, **or provide an approved liability self-insured group** under KRS chapter 304 for processing accident claims. But LTC is not licensed for a liability self-insured group while fraudulently informing its accident victims that **a) LTC is self-insured**, and **b) that LTC cannot be held / sued for acting in bad faith**.

23. As shown in Attorney Dyar's 1-20-2012 *Memorandum* (Page 2 as **AMENDMENT #2**), **Dyar falsely informs LTC's accident victims that *Davidson vs. Amer. Freightways* applies to LTC**, that LTC cannot be sued for acting in bad faith. In this way, LTC attempts to force unreasonable settlements upon victims, such as explained above involving the low offer (of \$745) for replacing Cobble's vehicle.

24. To wit, the unreasonably low replacement-offer of \$745 by LTC / Interlock forced Cobble to file suit. Moreover, **Irv Maze has attempted to extort the Cobbles' filing fee** by fraudulently not adjudicating 11-ci-002752; by his 2-1-2012 order (**ATTACHMENT #5**). Irv Maze is helping to cover-up Dyar's and LTC's insurance fraud.



25. The court clerk accepted Cobble's filing fee, as the Judge Maze ruled against Cobble under Attorney Dyar misrepresenting *Davidson vs. Amer. Freightways* to the court

• **Commissioner Sharon Clark's Participation**

26. Allowing LTC to operate its very many vehicles without self-insurance licensing could not have occurred without the knowledge and participation of KY Insurance Commissioner Clark. Of the evidence submitted, thus far, LTC has never provided a liability self-insurance group with a *Certificate of Filing* license from the Commissioner.

27. Even the above stated 1-10-2012 *Certificate of Filing (ATTACHMENT #4)* does not have a Certificate sequence Number for valid issuance.

28. **KRS 304.48-110 requires the insurance commissioner** to examine and update the credentials of each liability self-insurance group **no less than every 4 years.**

29. Commissioner Clark is the *Beneficiary* on LTC's Letter of Credit (as LC). See the March 7, 2012 two-page LC Amendment No. 3 as **ATTACHMENT #6**. However, KRS 304.48-070(3) requires the liability self-insured group to be the *Beneficiary* for LTC.

30. Since LTC does not have a liability self-insured group to be its proper beneficiary, LTC has relied upon the Commissioner, herself, to be the beneficiary.

31. With Commissioner Clark as the beneficiary, LTC is still not bonded / secured to cover the costs of its accident claims, since there is no liability self-insured group to receive the funds for processing such claims.

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32. LTC / Interlock has refused to provide [Plaintiff] Cobble with an actual Letter of Credit (LC), of which Ms. Leftwich and Attorney Dyar claim to possess. **In other words**, a bond or other financial endorsement, under KRS 304.48-070 has not been provided.

33. Judge Maze's 2-1-2012 order (as **ATTACHMENT #5**) violated court discovery rules to prevent Cobble's access to these public documents.

This Affidavit by,

Daniel Cobble FEB. 11, 2012

Daniel Cobble, Affiant & Filer

DATE

3401 Lesway Ct., #12, Louisville, KY 40220 - 502-499-5249

Smiley K. Ruyffe
NOTARY

2/11/2012

DATE

My Comm. Expires on : 5/16/2014

