

**IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF PUERTO RICO**

MAPFRE PRAICO INSURANCE COMPANY

Plaintiff

v.

EDWARD C. REYNOLDS; 411 CLAIMS PR,  
LLC; 411 CLAIMS LLC; JANE DOE; ABC  
INSURERS

Defendants

CIVIL NO.: \_\_\_\_\_

JURY TRIAL DEMAND

**COMPLAINT**

**TO THE HONORABLE COURT:**

The plaintiff, MAPFRE PRAICO INSURANCE COMPANY (“MAPFRE”) by and through the undersigned counsel, hereby brings this civil action against the captioned defendants under Article 1802 of the Puerto Rico Civil Code, P.R. Laws Annot. Tit. 31 §5141<sup>1</sup>, for compensatory damages, costs, and attorney’s fees and any other relief the Court deems just and proper. In support thereof, MAPFRE respectfully states, alleges, and prays, pursuant to Fed. R. Civ. P. 8, as follows:

**I. NATURE OF THE CASE, JURISDICTION AND VENUE**

1.1 This case arises out of negligent actions and misrepresentations perpetrated by an unlicensed public adjuster individual and company, with the concert, knowledge, acquiescence, and supervision of the company’s parent. As more fully alleged below, these actions caused MAPFRE to incur in unnecessary costs and attorney’s fees in the Hurricane María insurance property claim that defendants’ client, the Puerto Rico Highway and Transportation Authority, brought against MAPFRE.

---

<sup>1</sup> The repealed Civil Code of 1930 applies in this case because defendants’ negligent actions occurred both before and after November 28, 2020. See Art. 1815 of the Civil Code of Puerto Rico of 2020, P.R. Laws Annot. Tit. 31 §11720.

1.2 The Court has personal jurisdiction against codefendants 411 Claims PR LLC and 411 Claims LLC because both are registered to do business in the Commonwealth of Puerto Rico and their negligent acts and omissions occurred in and caused damages to the plaintiff in Puerto Rico.

1.3 The Court has personal jurisdiction against codefendant Edward C. Reynolds because, although domiciled in Louisiana and/or Florida, he worked as an unlicensed public adjuster in Puerto Rico after September 20, 2017, and his negligent acts and omissions occurred in and caused damage to the plaintiff in Puerto Rico.

1.4 The Court has subject-matter jurisdiction, within the meaning of 28 U.S.C. §1332, because there is complete diversity of citizenship between the parties and plaintiff's claims are more than \$75,000, exclusive of costs and attorney's fees. The plaintiff is a Puerto Rico insurer with principal place of business in Puerto Rico, codefendant Edward C. Reynolds is domiciled in Louisiana and/or Florida, and the ultimate members of codefendants 411 Claims PR LLC and 411 Claims LLC are, upon information and belief, individuals domiciled in Florida and/or Louisiana.

1.5 Venue is proper because the relevant facts and plaintiff's damages occurred in Puerto Rico.

1.6 Plaintiff requests jury trial for all those issues so triable.

## II. THE PARTIES

2.1 The plaintiff, MAPFRE, is a Puerto Rico insurer duly organized and registered to do business under the laws of the Commonwealth of Puerto Rico.

2.2 Codefendant, Edward C. Reynolds, is of legal age and a resident of [REDACTED] Chalmette, Louisiana, 70043 and/or [REDACTED] Miami, Florida 33156. At all times relevant, he was acting and/or representing to be acting as the senior vice-president and/or partner and/or member of codefendants 411 Claims PR LLC and 411 Claims LLC.

2.3 Codefendant, 411 Claims PR LLC is a Puerto Rico limited liability company with address at Caribe Office Building, 53 Palmeras Street, 6<sup>th</sup> Floor, San Juan, Puerto Rico 00901. Its president is Jeffrey Weiss with address at [REDACTED], Boca Raton, Florida 3343. Its resident agent is Jeanelle Alemar Escabí. Upon information and belief, Jeffrey Weiss and/or Edward C. Reynolds are the ultimate members of this company.

2.4 Codefendant, 411 Claims LLC is a Florida limited liability company registered to do business in Puerto Rico. Its resident agent is Carlos J. Onetti with address at Triple-S Plaza, 1510 F.D. Roosevelt Avenue, Suite 9-A-1, Guaynabo, Puerto Rico 00968. Its president is Jeffrey Weiss with address at [REDACTED], Boca Raton, Florida 3343. Upon information and belief, Jeffrey Weiss and/or Edward C. Reynolds are the ultimate members of this company.

2.5 Unknown-named codefendant Jane Doe is impleaded in this lawsuit because the plaintiff lacks sufficient information about codefendant Edward C. Reynolds's civil status. Once the plaintiff learns of his civil status and the real identity of his spouse, the plaintiff will substitute this unknown-named defendant with his or her name and amend the complaint.

2.6 Codefendants, ABC Insurers, are one or more unknown named insurers who issued one or more insurance policies to the defendants that cover the claims made herein. These insurers may be directly liable to the plaintiff pursuant to Puerto Rico's direct-action statute. The real name and address of these defendants is currently unknown.

### **III. FACTS COMMON TO ALL COUNTS**

3.1 On September 20, 2017, Hurricane María made landfall in Puerto Rico and caused significant property damage to the Island and its citizens.

3.2 The Puerto Rico Highway and Transportation Authority ("Highway Authority"), a Puerto Rico public corporation, suffered property damages because of Hurricane María.

3.3 When Hurricane María made landfall in Puerto Rico, MAPFRE was the Highway Authority's insurer pursuant to commercial policy 54-CBP-008665296-6/000.

3.4 The Highway Authority submitted a property damage insurance claim to MAPFRE on October 6, 2017.

3.5 The Highway Authority then supplemented its claim with additional property damages on November 22, 2017.

3.6 MAPFRE opened claim number 20171276088 to investigate and adjust the Highway Authority's insurance claim.

3.7 At the time the Highway Authority submitted its claim to MAPFRE, codefendant Edward C. Reynolds acted as the senior vice-president and partner and/or member of 411 Claims PR LLC and 411 Claims LLC, while Jeffrey Weiss was the president of these companies.

3.8 Codefendant Edward C. Reynolds persuaded the Highway Authority to believe that he was an experienced licensed public adjuster and induced the Highway Authority to hire 411 Claims PR LLC, an unlicensed public adjuster company, to assist in the insurance claim against MAPFRE.

3.9 On November 30, 2017, the Highway Authority hired codefendant 411 Claims PR LLC as public adjuster to assist with the insurance claim against MAPFRE.

3.10 Codefendant 411 Claims PR LLC, through its members and/or directors, including codefendant Edward C. Reynolds, warranted and represented to the Highway Authority, in contract number 2018-000169 executed on November 30, 2017, that the company had a public adjuster license authorized by the Puerto Rico Insurance Commissioner.

3.11 Codefendant 411 Claims PR LLC, through its members and/or directors, including Edward C. Reynolds, warranted and represented to the Highway Authority in contract number 2018-000169 executed on November 30, 2017, that its authorized representative,

agent, and/or employee, Mr. Zelman Alekseyev, had a public adjuster license authorized by the Puerto Rico Insurance Commissioner.

3.12 A public adjuster is statutorily forbidden to engage in oral or written material misrepresentations, issue false statements, and/or injure any person in the business of insurance.

3.13 Neither 411 Claims PR LLC nor its employees, agents, authorized representatives, and/or members had a Puerto Rico issued public adjuster license on November 30, 2017.

3.14 Codefendant Edward C. Reynolds has never had a license to work as a public adjuster in Puerto Rico.

3.15 Upon information and belief, codefendant Edward C. Reynolds was an insurance adjuster in Florida from 1994 to 1996 and in Massachusetts, from 1998 to 2001, until his insurance adjuster license was permanently revoked.

3.16 Codefendant Edward C. Reynolds never disclosed to the Highway Authority and MAPFRE that 411 Claims PR LLC and him were unlicensed public adjusters.

3.17 Throughout the life of the Highway Authority's insurance claim against MAPFRE, codefendant Edward C. Reynolds, personally and as senior vice-president and partner and/or member of codefendants 411 Claims PR LLC and 411 Claims LLC, took affirmative actions as agent representing the Highway Authority, while always misrepresenting that he was a licensed public adjuster.

3.18 Codefendants 411 Claims PR LLC and 411 Claims LLC knew or should have known that Edward C. Reynolds was working in Puerto Rico as an unlicensed public adjuster.

3.19 As an unlicensed public adjuster, Edward C. Reynolds spearheaded, with the knowledge, concert, consent, and supervision of the remaining codefendants, affirmative steps

to convince the Highway Authority that allegedly it had enough property damages to recover the \$47,934,332 policy limits.

3.20 The defendants, however, failed to conduct themselves reasonably, in good faith, and with the purpose of assisting in the quick, fair, and equitable investigation and adjustment of the Highway Authority's claim by relying on estimates without conducting a proper and responsible investigation and adjustment under the terms, conditions, and exclusions of the insurance policy and as the standard of care requires for the work that public adjusters are supposed to do on behalf of the insured.

3.21 By failing to adjust, the defendants submitted inflated claims on behalf of the Highway Authority without considering: (i) the application of co-insurance; (ii) whether the property damages claimed were covered and/or not specifically excluded under the policy; and (iii) whether the property damages were preexistent and/or unrelated to the hurricane. Such failure, in turn, triggered claims that grossly overvalued the Highway Authority's property damages and/or included property damages that may have been not covered by the policy and/or causally linked to Hurricane María.

3.22 The purpose behind the foregoing actions was to obtain higher monetary redress for the Highway Authority which, in turn, would shoot up defendants' contingency fees.

3.23 MAPFRE had carried out an investigation of the Highway Authority's property damage claim and adjusted it in \$3,307,259.17, while the defendants, without adjusting the claims, insisted that their client's property damages were \$180,000,000 because of a special condition endorsement. Accordingly, the defendants insisted MAPFRE pay up the policy limits of \$47,934,332.

3.24 After four years of litigation in Puerto Rico state court (Civil No. SJ2019CV009747), including an adjudicative administrative proceeding promoted by the defendants in 2018 with the Puerto Rico Insurance Commissioner against MAPFRE, and

significant expenses incurred by the parties, the defendants, as agents representing the Highway Authority, were never provide an adjustment under the terms, conditions, and exclusions of the insurance policy showing the Highway Authority's policy limit demand of \$47,934,332 was warranted.

3.25 The Highway Authority eventually decided not to rely on the defendants' ill-conceived advice and engaged in settlement discussions with MAPFRE during the Fall of 2023.

3.26 The Highway Authority eventually settled the case with MAPFRE for \$10,250,000 on November 17, 2023, and submitted various proof of loss statements that totaled such amounts.

3.27 After the settlement was executed, MAPFRE and the Highway Authority stipulated the voluntary dismissal with prejudice and the Puerto Rico state court issued final judgment on December 4, 2023.

3.28 Had it known that Edward C. Reynolds and 411 Claims PR LLC were unlicensed and, moreover, had submitted inflated estimates, the Highway Authority would not only have declined to execute contracts with 411 Claims PR LLC and/or 411 Claims LLC, but would have timely and cost-effectively attempted to settle its insurance claim with MAPFRE as it eventually did.<sup>2</sup>

3.29 Contracts executed between an insured and an unlicensed public adjuster are null and void as a matter of law. Accordingly, every action taken by the defendants in support of the Highway Authority's insurance claim against MAPFRE was illegal, null and void, and a waste of time and resources.

3.30 When Edward C. Reynolds began communicating as public adjuster and agent of the Highway Authority, MAPFRE was unaware he was unlicensed. Accordingly, MAPFRE

---

<sup>2</sup> In fact, the Highway Authority filed a complaint to nullify its contract with 411 Claims PR LLC on November 21, 2023, in SJ2023CV10855. This case was dismissed without prejudice.

relied on Edward C. Reynolds' work and representations by assuming he was legally authorized to intervene and represent the claim and, thus, triggering MAPFRE's obligation to respond to his requests on behalf of the insured.

3.31 On July 21, 2023, the Puerto Rico Insurance Commissioner sanctioned Edward C. Reynolds and 411 Claims PR LLC for fraudulently misrepresenting having a public adjuster license.

3.32 The Puerto Rico Insurance Commissioner further enjoined Edward C. Reynolds from performing any insurance adjuster-related work in Puerto Rico.

3.33 The Puerto Rico Insurance Commissioner also sanctioned 411 Claims LLC for allowing its vice-president, Edward C. Reynolds, to work as an unlicensed public adjuster.

3.34 MAPFRE suffered no less than \$800,000 in compensatory damages. This amount includes attorney fees, expert fees, adjustment investigation expenses, and costs, because of defendants' negligent misrepresentations.

3.35 MAPFRE would not have suffered compensatory damages, but for the defendants' negligence and misrepresentations which is alleged in the counts below.

#### **IV. FIRST COUNT**

##### **(Negligence)**

4.1 Plaintiff incorporates by reference each averment contained in the above paragraphs of this complaint.

4.2 The defendants had a legal duty of care to act with truth and veracity when investigating the Highway Authority's claim.

4.3 The defendants had a legal duty of care to engage in ethical, good faith and professional conduct towards their client and MAPFRE.

4.4 The defendants had a duty to investigate and adjust the Highway Authority's property damages to ascertain if such damages were preexistent to Hurricane Maria and/or



covered under the policy, update and discuss with their client whether the estimates submitted to MAPFRE were accurate and reliable and provide complete and accurate adjustments to MAPFRE.

4.5 The defendants negligently misrepresented their client's property damages to MAPFRE by submitting estimates without investigating and adjusting them under the terms, conditions, and exclusions of the insurance policy.

4.6 Defendants, through their agents, servants, and/or employees, knowingly presented misleading information to MAPFRE and the Highway Authority.

4.7 Such information included: (i) misrepresenting that Edward C. Reynolds and 411 Claims PR LLC had public adjuster licenses issued by the Puerto Rico Insurance Commissioner; (ii) intentionally submitting inflated estimates of property damages without preparing an adjustment under the terms, conditions, and exclusions of the insurance policy; and (iii) submitting property damage estimates and claims without investigating whether the damages were caused and/or related to Hurricane María.

4.8 Specifically, the Highway Authority, through Edward C. Reynolds and 411 Claims PR LLC, submitted on or around July 20, 2018, a \$20,482,397.28 claim for the properties listed and identified under Endorsement A of the Policy without making a proper investigation and adjustment under the policy and checking if such property damages were preexistent.

4.9 Furthermore, the Highway Authority, through Edward C. Reynolds and 411 Claims PR LLC, submitted on or around August 1, 2018, an additional claim of \$143,848,494.00 for damages regarding all the bridges, traffic lights, traffic signs, and wireless antennas of the Highway Authority without making a proper investigation and adjustment under the policy and checking if such property damages were preexistent.

4.10 For example, the Highway Authority, through Edward C. Reynolds and 411 Claims PR LLC, submitted a \$923,817.88 claim for damages regarding bridge no. 0618 located

in PR-824, KM. 070. Nonetheless, the Detailed Damage Inspection Report which contained the said claim had been denied by the Federal Highway Authority because the damages claimed were in fact pre-existent. Put differently, Edward C. Reynolds and 411 Claims PR LLC knowingly requested MAPFRE to pay \$923,817.88 in pre-existing damages.

4.11 Likewise, the Highway Authority, through Edward C. Reynolds and 411 Claims PR LLC, knowingly submitted a \$63,368.60 claim for pre-existing damages regarding bridge no. 0260 located in PR-128, KM 29.1. Specifically, the Detailed Damage Inspection Report was denied by the Federal Highway Authority because it “[d]etermined to be ineligible since undermining condition is pre-existing”.

4.12 Defendants, through their agents, servants, and/or employees, made such negligent misrepresentations with the intent to recover more insurance proceeds without being entitled to them and, in turn, skyrocket defendants’ contingency fees.

4.13 In committing the foregoing acts, the defendants acted in concert and with a common purpose. These intentional acts were perpetrated to obtain additional insurance benefits that the Highway Authority was not entitled to which, in turn, would significantly increase the defendants’ contingency fees.

4.14 The defendants are liable *in solidum* for their negligent actions and misrepresentations perpetrated against the plaintiff and should redress the plaintiff in an amount of no less than the compensatory damages asserted in paragraph 3.35, plus the costs and attorney’s fees incurred in this action.

## **V. SECOND COUNT**

### **(Damages caused by a Null and Void Contract)**

5.1 Plaintiff hereby incorporates the averments contained in the above paragraphs of this complaint.

5.2 The Highway Authority hired the defendants as its agents to investigate and submit an insurance claim to MAPFRE.

5.3 In evaluating the insurance claim, MAPFRE received and relied on the information and estimates that the Highway Authority produced through the defendants. Said information and estimates were material for MAPFRE's assessment and adjustment analysis.

5.4 Edward C. Reynolds and 411 Claims PR LLC had a legal duty to obtain a public adjuster license from the Puerto Rico Insurance Commissioner and failed to do so.

5.5 Edward C. Reynolds and 411 Claims PR LLC, through their respective actions, communications, and representations, not only took complete control of the Highway Authority's claim so all communications were channeled exclusively through them, but misrepresented MAPFRE and the Highway Authority that they were licensed public adjusters.

5.6 Each and every action, communication, information and representation taken by the defendants to MAPFRE was illegal as it was made through Edward C. Reynolds and/or 411 Claims PR LLC as unlicensed adjusters, with the knowledge and concert of 411 Claims LLC.

5.7 411 Claims LLC knew, or should have known, that Edward C. Reynolds and 411 Claims PR LLC did not have a public adjuster license and should have stopped their actions.

5.8 The contracts executed between the Highway and Authority and the defendants are null and void. Such null and void contracts, in turn, caused damages to MAPFRE because MAPFRE had to incur in unnecessary time and expense litigating claims that were illegally worked by the defendants and without making a proper adjustment under the terms, conditions, and exclusions of the insurance policy.

5.9 Defendants illegally worked on submission of inflated claims without performing an adjustment. Such action directly contradicted the Highway Authority's proof of loss statements executed under penalty of perjury. While the proof of loss statements totaled

\$10,250,000 the defendants were representing that the claim was worth the \$47,934,332 policy limits.

5.10 MAPFRE relied on defendants' misrepresentations to its detriment and loss.

5.11 The defendants are liable *in solidum* for executing a contract to perform public adjustment services that they knew or should have known was null and void and which caused the compensatory damages asserted in paragraph 3.34, plus the costs and attorney's fees incurred in this action.

**WHEREFORE**, the plaintiff respectfully requests the Honorable Court to grant this complaint, awarding it compensatory damages, plus all costs and attorney's fees.

**RESPECTFULLY SUBMITTED.**

In San Juan, Puerto Rico this 4th day of December 2024.

**ABESADA LAW OFFICES**  
Counsel for MAPFRE  
1357 Ashford Ave. #2-184  
San Juan, Puerto Rico 00907  
Tel. (787) 948-5131

*s/ Roberto Abesada-Agüet*  
USDC-PR No. 216706  
[ra@abesada.com](mailto:ra@abesada.com)