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August 14, 2009

Ms. Leslie Campbell-Levy  
Asst. Attorney General  
Consumer Protection & Antitrust  
2115 State Capitol  
Lincoln, NE 68509

Dear Ms. Campbell-Levy:

Thank you for the opportunity to attend a recent meeting with yourself and Patricia Hancock. I wish to reiterate and expand upon the danger to consumers that result from widespread violations of automotive claim settlement practices in Nebraska. These violations have been thoroughly documented and repeatedly presented to the Nebraska Department of Insurance, which continues to allow these dangerous claim settlement practices to persist even though harm to consumers has been clearly and unequivocally established.

The flaw in Nebraska market conduct regulation lies in the fact that the Nebraska Department of Insurance establishes criteria that make it nearly impossible for insurers to be held accountable for dangerous claim settlement practices such as those documented by automotive windshield expert, Mark Rizzi whose findings have been detailed in my book, *'In Dangerous Hands: Automobiles, Insurance & Political Corruption in Nebraska.*

The Nebraska Department of Insurers cites the lack of direct consumer complaints for many of its inactions even though there is no statutory basis for ignoring independent evidence of widespread fraud against claimants. Furthermore the deceptive claims settlement practices that continue unabated in the automotive windshield replacement markets rely on deception, concealment of facts and lack of consumer disclosure, which perpetuates the most dangerous claim settlement practices ever documented. The entire windshield replacement process is designed to conceal critical information from claimants who remain unaware of the substantial safety compromises of the repaired vehicle. Claimants are thus willfully, intentionally and deliberately defrauded by receiving dangerous repairs that violate numerous sections of the insurance laws. The vast majorities of claimants have not, and continue to not be indemnified as promised by the insurance contract. Being unaware of the post-repair safety compromises, claimants have no reasons to file complaints. This type of fraud shares a number of similarities to the scam committed by convicted swindler, Bernie Madoff whose victims also had no reason to file complaints with regulators because they, too, were unaware of the fraud being committed against them.

The continued practice by the Nebraska Department of Insurance to gauge market conduct compliance only by the number of complaints submitted directly by claimants has created a massive undercurrent of fraud that goes unreported because victims are not told of the critical motor vehicle safety systems that have been severely compromised by the repair. The number of consumer complaints would skyrocket if claimants were given a full disclosure that insurer-authorized repairs could very well compromise several critical motor vehicle safety systems.

The public's trust has been thoroughly compromised by the malfeasance of state regulators who ignore credible evidence of wholesale fraud being committed against Nebraska claimants. This matter can no longer be swept under the carpet and the Nebraska Attorney General's Office must step in as an impartial party to thoroughly investigate this matter before someone is seriously injured or killed.

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Nebraska is increasingly becoming the focus of this well-documented problem. I respectfully ask that you provide an opportunity to present all of the evidence and documentation of the widespread fraud being committed against Nebraska claimants. People of Nebraska deserve an impartial and independent review of this matter in order to put an end to the dangerous claims settlement practices that place the lives of countless claimants and their families in jeopardy.

Sincerely,

Norbert Zaenglein  
Author, *In Dangerous Hands: Automobiles, Insurance & Political Corruption in Nebraska*

Cc: Pres. Barack Obama  
Attorney General Eric Holder, USDJ  
Nebraska Governor, Dave Heineman  
J Bruning Nebraska Attorney General  
Fred Coffman Office of the Nebraska Attorney General  
The Honorable Mike Johanns  
The Honorable Ben Nelson  
The Honorable Jeff Fortenberry  
The Honorable Lee Terry  
The Honorable Adrian Smith  
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