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RICK HOLLIFIELD, IN PRO PER

WORKERS' COMPENSATION APPEALS BOARD

STATE OF CALIFORNIA

RICK HOLLIFIELD, Applicant. In Pro Per VS. KVAAS CONSTRUCTION CO. / MWWD ARGONAUT INSURANCE / ARGO GROUP Defendants.	CASE NO. ADJ2940450 LEGACY NO. SDO0222978 NOTICE OF INTENT TO FILE PETITIONS FOR SANCTIONS/COSTS, AND PENALTIES DUE TO EXTRINSIC FRAUD, PERJURY, COLLUSION AND CONTEMPT

Clearbrook Group Holdings Inc. (f/k/a Argo Group International Holdings, Inc.)

Attn: General Counsel and Claims Director

501 7th Avenue, 7th Floor

New York, NY 10018

PO Box 469011, San Antonio, TX 78246

Re: MANDATORY GOOD-FAITH DEMAND FOR IMMEDIATE SETTLEMENT – FINAL NOTICE BEFORE FILING FRAUD UNIT REFERRAL

Hollifield v. Argonaut Insurance Company (wholly - owned subsidiary of Clearbrook Group Holdings Inc.) Claim Number: 62x103499

WCAB Case No. ADJ2940450 (SCO0222978); Superior Court Cases EC015235 & GIN003700

DEMAND: $2,000,000 – Written Response Required Within 14 Calendar Days

Dear General Counsel and Claims Director

Argonaut Insurance Company is hereby commanded to respond in writing within fourteen (14) calendar days of receipt. The irrefutable primary documents archived at bulldunghaggle.com establish a clear pattern of fraud, perjury, collusion, and contempt of a WCAB order that defrauded me of a multi-million-dollar recovery following my 1996 industrial injury at Kvaas Construction Company. Argonaut insured both my direct employer (Kvaas) for workers' compensation and Olsen Steel Inc. for third-party liability under the project's OCIP, enabling self-dealing that violated multiple Labor Code provisions. Undisputed Facts Demonstrating Fraud, Perjury, Collusion, and Contempt.

On October 6, 1998, Claims Examiner, Dianna Cumpian, terminated temporary disability benefits without any permanent-and-stationary report. The WCAB's Order Suspending Action dated December 8, 1998, (Judge Dietterle), suspended the Third Party Compromise and Release with Olsen Steel Inc. pending a P&S report. Despite a legal Order, Argonaut filed a Petition for Credit on December 30, 1998, seeking $128,910.35. Argonaut counsel, Michael Nolan, perjured himself by signing the verification form under penalty of perjury while omitting the suspended status of the claim and my continuing treatment needs (confirmed by Dr. Braun's December 9, 1998, letter documenting a broken bone plate requiring surgery). Nolan's April 19, 2000, fax later admitted the Kvaas/Argonaut WC claim remained open. These acts, committed while Argonaut controlled both sides of the claim, constitute fraud on the WCAB, perjury, collusion, and direct contempt of the suspension order.

Labor Code Violations, Sanctions, and Penalties

These tactics trigger every applicable Labor Code provision for penalties and sanctions:

Labor Code § 5814: Unreasonable delay or refusal of compensation (premature termination and credit petition on a suspended claim) mandates 25% penalties plus interest on all unpaid benefits.

Labor Code § 5814.5: Additional penalties and mandatory attorney fees for bad-faith handling.

Labor Code § 5307: WCAB authority to impose sanctions and punish contempt for Argonaut violating its suspension order and filing a perjured petition.

CCR Title 8 § 10555: Procedural prohibition against misleading petitions for credit while the claim remains open and suspended.

Judge Keith Dietterle issued an Order Suspending Action (OSA) on December 8, 1998, because no P&S report existed, the Compromise & Release (C&R) was not legally binding. For Argonaut to then take a "credit" for the C&R money on December 30, 1998 - while knowing the order was suspended and a new injury (the broken plate) was discovered and reported on December 9 - constitutes a unilateral and illegal credit.

Illegal Credit (LC § 3861 / WCAB Rule 10555): An insurance carrier cannot take a credit against benefits without a formal Order from a WCAB judge granting that credit. Taking a credit on a suspended C&R is essentially taking money from an unapproved contract.

Medical Negligence & Reporting: The doctor's failure to write the report from 10/05/1998 until after the OSA is a breach of 8 CCR § 9785. More critically, the 12/09/1998 P&S visit revealed a broken plate, which means I was factually not Permanent & Stationary. Denying treatment for a hardware failure based on a "credit" from an unapproved settlement is a violation of the carrier's duty to provide cure and relief under LC § 4600.

Unreasonable Delay (LC § 5814): By asserting a credit to avoid paying for the newly discovered broken plate and subsequent benefits, Argonaut arguably "unreasonably delayed" medical treatment. In 1998, this would have triggered a 10% penalty on the entire species of benefit (medical), which today could be up to 25%.

Michael Nolan and Claims Examiner coordinated the timing of the credit and the lack of a P&S report to "trap" me in a suspended settlement while ignoring a surgical emergency (the broken plate). This points toward Serious and Willful Misconduct (LC § 4553) or bad-faith sanctions under LC § 5813. The discovery of the broken plate on 12/09/1998 proved the P&S status was false. Under WCAB rules, a judge cannot approve a C&R if the medical evidence shows the worker's condition is unstable or requires immediate surgery not accounted for in the settlement

By petitioning for a credit on 12/30/1998 based on a suspended C&R, the defense (Argonaut)

effectively stopped paying for my medical treatment (including the broken plate) without a final judgment.

The "Broken Plate" Conflict: Since the hardware failure was discovered on 12/09/1998, means I was never Permanent & Stationary. A credit cannot legally be applied against "future medical" when an acute surgical need exists that was unknown at the time of the C&R signing.

Tactical Delay: By objecting to the DOR, Argonaut's substituted attorney, Jeffrey Evans prevented me from getting in front of a judge to challenge the illegal credit.

Bad Faith (LC § 5813): If Evans knew the C&R was never approved and that the medical evidence (the broken plate) invalidated the "credit," his objection to my DOR could be considered a frivolous tactic intended to cause unnecessary delay.

Nolan (12/30/1998): Filed the Petition for Credit to give Argonaut a "legal" excuse to stop payments. Evans (07/2001) Blocked the legal path (the DOR) that would have allowed a judge to fix the situation. This timeline supports a claim for Serious and Willful Misconduct (LC § 4553) because it shows the employer/carrier knowingly withheld treatment for a physical injury (the broken plate) using a procedural trick.

On December 8, 1998, the WCAB Judge issued the Order Suspending Action (OSA) because the case was not legally "ripe" for settlement - specifically due to the missing P&S report.

By law, an OSA stops the clock on the settlement, but does not stop the employer's obligation to provide medical treatment and temporary disability. The moment the Judge issued the OSA, the Compromise and Release signed on 11/03/1998 became unenforceable. It was a proposed contract that the Court refused to bless [1.1]. This discovery proved I was in an "acute" medical state, not Permanent & Stationary. Under Labor Code § 4600, Argonaut had an absolute duty to provide surgery or treatment for that hardware failure regardless of any pending settlement [1.1].

Jeffrey Evans' later objection in 2001 was the "anchor" that kept this illegal status quo in place. By objecting to the DOR, he ensured that no judge would look at the fact that I had a broken plate and an unapproved settlement for nearly three years. This is a classic "starving out" tactic often cited in Serious and Willful Misconduct and LC § 5813 sanctions petitions.

Reason Argonaut's 12/30/1998 Credit Was Illegal:

No Settlement, No Credit: A credit can only be taken against a final award or an approved settlement. Since the OSA was "pending P&S," there was no final settlement.

The "Broken Plate" Conflict: The visit on 12/09/1998 (the day after the OSA) proved I was not P&S. This created a new obligation for Argonaut to provide acute medical care under Labor Code § 4600.

Violation of WCAB Rule 10451: Argonaut (via Michael Nolan) filed a petition for credit to avoid paying for the broken plate surgery.

Bad Faith Delay: By petitioning for credit on a suspended order, Argonaut used the money I had already received as a "shield" to deny me of additional surgery for a broken plate. When Evans objected to my DOR in 2001, he was maintaining this "limbo." By keeping the case suspended while refusing to provide treatment based on a non-existent credit order, the defense was in direct violation of the WCAB standard requiring "good faith" in the provision of benefits. Dr. Braun reported the broken plate on 12/09/1998, but Argonaut still claimed "credit" on 12/30/1998. They were essentially claiming a credit against an injury they knew was no longer stable. With no Qualified Medical Exam (QME) or P&S report ever provided to counter the 12/09/1998 finding of a broken plate, Argonaut and Evans were operating in blatant violation of California Workers' Compensation standards. By failing to provide a rebuttal medical legal report while simultaneously asserting an illegal credit, the defense committed several high-level infractions: Under Labor Code § 4600, the employer has an absolute duty to provide medical treatment that is reasonably required to cure or relieve the effects of the injury. Once the 12/09/1998 exam proved a hardware failure (broken plate), the injury was no longer "Permanent & Stationary."

The Negligence: Denying surgery for a broken plate without a medical report (QME) stating the surgery was unnecessary is a prima facie case of unreasonable delay under LC § 5814.

Illegal Use of "Self-Help" Credit:

In California, a carrier cannot engage in "self-help." They cannot decide on their own to stop paying for surgery because they think they are owed a credit.

The Violation: Since the case was under an OSA (Order Suspending Action), no judge could have legally granted that credit because the medical status was unresolved. By stopping treatment anyway, Argonaut bypassed the Judge's authority.

When Evans objected to my June 2001 DOR without a P&S report to support his position, he was effectively "locking the courtroom door" while I was physically injured.

LC § 5813 Sanctions: Filing an objection to a hearing (DOR) without a valid legal or medical basis is considered a frivolous tactic intended to cause unnecessary delay. Evans used the 12/30/1998 credit petition as a "fake" legal shield to prevent a judge from seeing that I wasn't receiving treatment for the broken plate.

4. "Serious & Willful" Misconduct (LC § 4553)

This pattern of behavior—ignoring a broken internal medical device, failing to produce a P&S report, filing for credit on a suspended order, and blocking my right to a hearing—meets the threshold for Serious and Willful Misconduct. It shows a "calculated and deliberate" disregard for my safety and medical well-being. Because they never produced a P&S or QME report to close the "gap" created by the OSA, the statute of limitations on my medical treatment never started, and their "credit" remained legally "bulldung."

The 04/18/2000 memo from Dianna Cumpian to Michael Nolan constitutes a confession that Argonaut knowingly enforced a credit despite the Order Suspending Action (OSA) rendered on 12/08/1998 [1.1]. The documentation indicates illegal self-help by converting unapproved settlement funds into a credit to deny medical care, constituting Serious and Willful Misconduct (LC § 4553) [1.1].

Argonaut's Prior Losses for Identical Conduct

Argonaut has been held liable for precisely these tactics. In Diamond Woodworks, Inc. v. Argonaut Insurance Co. (2003) 109 Cal.App.4th 1020, misrepresentations, improper denials, and coercive settlement pressure produced a jury verdict of approximately $658,000 compensatory plus $14 million punitive (remitted to $5.5 million). Comparable patterns in other reported matters confirm substantial exposure.

To resolve this matter without further litigation or regulatory involvement, remit $2,000,000

within thirty (30) days of your written acceptance. This amount is conservative given the multi-million-dollar recovery stripped from me and aligns with prior judgments. Failure to respond within fourteen (14) days will result in immediate referral to the California Department of Industrial Relations (DIR) DWC Fraud Unit and the Department of Insurance (DOI) Fraud Division for investigation of insurer fraud, perjury, and collusion—triggering felony-level scrutiny, public reporting, and additional civil/criminal penalties.

This letter constitutes a good-faith demand sent without prejudice to all rights and remedies. Contact me directly to arrange payment or mediation.

Dated: 03/09/2026

Respectfully submitted,

Rick Hollifield

VERIFICATION

STATE OF CALIFORNIA
COUNTY OF SAN DIEGO

I, the undersigned, declares:

I am the Applicant of the above-entitled action.

I have read the foregoing:

NOTICE OF INTENT TO FILE PETITION FOR SANCTIONS AND PENALTIES DUE TO EXTRINSIC FRAUD, PERJURY, COLLISION, AND CONTEMPT

and know the contents thereof; and the same is true of my knowledge, except as to the matters which are therein stated upon my information and belief, and to those matters, I believe to be true.

I certify (or declare) under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Dated: March 09, 2026

RICK HOLLIFIELD
Declarant

Proof of Service by Mail

I declare that:

I am (resident of / employed in) the county of Onslow, North Carolina
I am over the age of eighteen years, my (business / residence) address is:

313 Quail Ridge Rd. Jacksonville, North Carolina, 28546

On 03/09/2026, I served the attached GOOD FAITH DEMAND LETTER on the parties listed below in said case, by placing a true copy thereof enclosed in a sealed envelope with postage thereon fully paid, in the United States mail at Jacksonville, NC addressed as follows:

ARGONAUT INSURANCE COMPANY / ARGO GROUP
C/O Corporation Service Company
ATTN: Claims Department / Melissa DeKoven
2710 Gateway Oaks Dr. Suite 150N
Sacramento, CA 95833-3505

ARGO GROUP
P.O. Box 469011
San Antonio, TX 78246

Clearbrook Group Holdings Inc.
(f/k/a Argo Group International Holdings, Inc.)
501 7th Avenue, 7th Floor
New York, NY 10018

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct, and that this declaration was executed on

(date) 03/09/2026, at Jacksonville, North Carolina

Type or print name Jennifer Gonzales

Signature Jennifer Gonzales