

VIRGINIA: IN THE CIRCUIT COURT FOR THE COUNTY OF FAIRFAX

PAUL SHAO,

Plaintiff,

v.

Case No.: 2021-03802

Jury Trial Demanded

**FILED
CIVIL PROCESSING
2022 SEP 16 A 11:13
JOHN T. FREY
CLERK, CIRCUIT COURT
FAIRFAX, VA**

ALLSTATE INSURANCE COMPANY,

Defendant.

**PLAINTIFF PAUL SHAO'S RESPONSE TO DEFENDANT ALLSTATE
INSURANCE COMPANY'S FIRST SET OF REQUESTS FOR PRODUCTION
OF DOCUMENTS AND THINGS**

REQUEST NO. 1:

All documents relied upon or referred to by you in answering Allstate's First Set of Interrogatories.

RESPONSE:

- a. For Interrogatory No. 3, my 9-3-19 letter to CEO Mr. Wilson



1a -Letter 9-3-2019
to Mr Wilson_No 1a

- b. For Interrogatory No. 16, Diana Heflin's email on copy of signed EA Agreement



1b -Diana Heflin
Email on signed R3C Agreement signed S



1bA -R3001S

- c. For Interrogatory No. 17, Text Messages between Shao and Miguel



1c -Snapshot of
Text between Me an

REQUEST NO. 2:

All documents identified in response to Allstate's First Set of Interrogatories.

RESPONSE:

Do not understand the request. What is the difference between No. 1 and No. 2.

REQUEST NO. 3:

All documents upon which you relied in determining the value of the economic interest in the Allstate Book of Business you purchased from Brent Elliot.

RESPONSE:

Brent Elliott's Washington Insurance's EA Combined Business Summary (Three Years).



3 EA Comb Bus
Summary of Washin

REQUEST NO. 4:

All documents and communications related to the terms of the sale agreement between you and Brent Elliot, including but not limited to communications memorializing negotiation of the agreement and copies of any contracts entered into by you and Brent Elliot in connection with the sale.

RESPONSE:

The Sales Contract between Shao and Elliott.



4 -Sales Contract
bet me and Elliott -S

REQUEST NO. 5:

All documents and communications referring to or otherwise relating to financing you obtained in connection with the purchase of the economic interest in the Allstate Book of Business formerly owned by Brent Elliot, including but not limited to communications between you and your lender, as well as copies of any related loan agreements.

RESPONSE:

5d Confirm 100 perc ownership of S 5c -Article of Incop 12-11-91.pdf 5b -VA Corp Cert of Good Stand 7-21-15-Elliott-Shao 5a Emails betJudy 5g -Business Loan Agreement 7-31-15.1

5f -SECURITY INTEREST AND COLL6207 Old Keene Mill 5e -Shao Lease at

REQUEST NO. 6:

All documents and communications supporting your allegation in Paragraph 8 of the Complaint that the “value of Allstate agencies has plummeted 20%....”

RESPONSE:

The commission came down from 10% to 9%; then the base commission sum would come down 10%. Furthermore, I paid with 2.35 multiplier and Catherine Lee offered me a multiplier of 1.75, which is: using the multiplier to calculate the % for up and down: $(2.35 - 1.75)/2.35 = 0.6/2.35 = 0.25 = 25\%$. That is down 25%. So, the statement of down 20% is quite conservative.

- a. 2015 price with Elliott.
- b. 2020 price with Lee.

6a -Purchase Price 2015 from Elliott.pd 6b -Catherine Lee Signed Letter of Inte

REQUEST NO. 7:

Any and all communications between you and Ann Smith of Allstate relating to the potential sale of your economic interest in your Allstate Book of Business, including but not limited to the October 6, 2017 and December 13, 2018 communications identified in Paragraph 9 of the Complaint.

RESPONSE:

All email correspondences, including 10-6-17 and 12-13-18 emails, between me and Ann Smith are listed below, which were made into an attachment to my email to Ann on 9-3-19, which itself became an attachment to my letter to Mr. Wilson on 9-3-19, which is produced under No. 1.

5-11-7 (8:04 AM)

8-26-19 (3:23 PM)

8-26-19 (11:04 AM)

8-20-19 (8:05 PM)

10-6-17 (9:39 AM);
10-9-17 (8:17 AM)
10-6-17 (2:06 PM)
12-19-18 (1:49 PM)
12-13-18 (8:08 AM)
1-2-19 (1:06 PM)
1-2-19 (12:15 PM)
12-26-18 (12:00 PM)
12-24-18 (2:42 PM)
1-4-19 (2:04 PM)

REQUEST NO. 8:

All documents and communications exchanged between you and Maurice Springer between December 2018 and January 2019.

RESPONSE:

None.

REQUEST NO. 9:

A copy of the "statement of termination payment of Shao's agency" referenced in Paragraph 9 of the Complaint.

RESPONSE:

Statement of Termination Payment of Shao's Agency.



9b -Termination
Payment (TPP) - Sum



9a -Termination
Payment (TPP) - Polic

REQUEST NO. 10:

All documents supporting your allegation that "[u]sually, an agency loses 10% of the premium due to normal drops of policies" as described in Paragraph 10 of the Complaint.

RESPONSE:

This refers to the retention of the agency. It is the norm of the industrial that 90% of retention is average and decent. For example,

		Elliott's Business Summary (3-2015)		Shao's Business Metrics (11-2018)
Tenure Retention	Current	88.53%	Current Month	86.89%
	Prior Year	89.60%	Prior Year	86.76%
			Pt Var. to PY	0.13
	Pt Change	-1.07	Net Retention	87.53%

Elliott's Business Summary was produced under No. 3.

Shao's Business Metrics (11-2018).



10 -Business Metrics (11-2018).pd

REQUEST NO. 11:

All documents supporting your calculation of the "growth" of your Allstate Book of Business as described in Paragraph 10 of the Complaint.

RESPONSE:

Termination Payment (TPP) – Summary Report – (11-2018)

Under Column 3 "12 MM Earned Premium, p. 3, Grand Total of Premium of 11-2018: \$1,530,114.88; whereas the purchase price in 2015 is for the premium of \$1,413,697.



11 TPP-Summary Report 11-2018.pdf

REQUEST NO. 12:

All documents that support your contention that "hundreds of agents had been ABOed since 4-2019" as alleged in Paragraph 11 of the Complaint.

RESPONSE:

Facebook text message (2-22-21) from Collin Brennan (Ex-agent, Office No. (248) 301-8101; Address: 69 W Long Lake Rd., Troy, MI 48098.



On Hundreds Down Hundreds of
 ABOed in 2020 - 1 o Agents from ABO - 2



REQUEST NO. 13:

All documents and communications memorializing the January 2019 announcement from Allstate regarding "Agency Business Objectives" referenced in Paragraph 11 of the Complaint.

RESPONSE:



ABO
 Announcement via (

REQUEST NO. 11:

All documents supporting calculation of your claimed TPP pursuant to the "new formula" cited in Paragraph 12 of the Complaint.

RESPONSE:

No document. See answer to Interrogatory No. 15. Are No. 11 to have a twin?

REQUEST NO. 14:

All documents and communications evidencing your request for a written explanation of the TPP calculation as alleged in Paragraph 12 of the Complaint.

RESPONSE:



Exchanges
 betVogelman-Muell

REQUEST NO. 15:

All communications, including but not limited to letters, emails, and text messages, between you and Allstate relating to or in any way discussing your performance under the EA Agreement.

RESPONSE:

Same as No. 14.

REQUEST NO. 16:

All communications, including but not limited to letters, emails, and text messages,

between you and Allstate relating to or in any way discussing Allstate's termination of the EA Agreement.

RESPONSE:

Same as No. 1a.

REQUEST NO. 17:

All documents and communications between you and Allstate (or any of its representatives, agents, attorneys, or employees) related to your request for postponement of the termination of your EA Agreement, including but not limited to communications with Ann Smith between March and May of 2020 and the May 25, 2020 email from you to Tom Wilson cited in Paragraph 13 of the Complaint.

RESPONSE:

- a. 3/25/20 Letter to Mr. Wilson (No attachments.)
- b. 5-4-20 Letter to Mr. Wilson (Many attachments of emails bet Shao and Ann.)
- c. 5-27-20 Letter to Mr. Wilson (5 attachments but did not properly scan to file. The Extension Letter by Jennifer I have a copy. Two 5-26-20 emails from Paul to Ann and two 5-27-20 emails from Paul to Jennifer cannot be located.)



17a -Letter to Mr
Wilson 3-25-2020.pc



17b -Letter to Mr
Wilson 5-4-2020.pdf



17c Letter to Mr
Wilson 5-27-20.pdf



17d -Termination
Extension BY Jennife

REQUEST NO. 18:

All documents and communications reflecting or otherwise relating to your efforts to identify and secure a buyer for the economic interest in your Allstate Book of Business, including but not limited to the letter of intent from Catherine Lee referenced in Paragraph 13 of the Complaint and communications with Catherine Lee, Amy Ho, and Ahmed Taha related to potential purchase of the Book.

RESPONSE:



18a -Lee Signed
Letter of Intent.pdf



Resume-C Lee.pdf



18b -Catherine Lee
-Supplimentary.pdf



18d Letter of
Intent-Amy Ho.pdf

My discussions with Agent Ahmed Taha on acquiring my agency are all verbal.

REQUEST NO. 19:

All communications between you and Allstate reflecting or otherwise relating to your decision to accept termination payments from Allstate following termination of your EA

Agreement.

RESPONSE:



19 -Termination
Letter from Jennifer

REQUEST NO. 20:

All communications between Brandon Hokanson and you or your attorney, including but not limited to the email communications cited in Paragraphs 15 through 18 of the Complaint.

RESPONSE:



20 -Emails bet
Hokanson-Tarelo 4-

REQUEST NO. 21:

Copies of the "3-31-2020 statement" and "TPP payment summary report of 3-2020" referenced in Paragraph 15 of the Complaint.

RESPONSE:



21a -3-31-20 Loan
Balance Statement.p



21b -TPP Summary
Report 3-2020.pdf

REQUEST NO. 22:

Documents supporting the allegation that "[a]s of 9-30-2020, Allstate was saying that Shao's loan balance was \$143,332.74 and his TPP payment was \$129,973.21" as set forth in Paragraph 17 of the Complaint.

RESPONSE:



22a -Loan Balance
9-30-20.pdf



22b -TPP Summary
Report 8-2020.pdf

REQUEST NO. 23:

Documents sufficient to evidence transmission and receipt of the \$2,851.44 and \$10,508.09 payments alleged to have been made on your loan as set forth in Paragraph 17 of the Complaint.

RESPONSE:



23a



23b -Shao Ins Bank

-Acknowledgement Statements 11-30 an

REQUEST NO. 24:

A copy of the "PTM schedule" referenced in Paragraph 17 of the Complaint.

RESPONSE:



24 -PTM Schedule
1-10-21.pdf

REQUEST NO. 25:

A copy of the "8-2020 Termination Payment (TPP) - Summary Report, received from Ms. Smith" identified in Paragraph 18 of the Complaint.

RESPONSE:

Under 22b.

REQUEST NO. 26:

All documents you consulted in calculating the "book value" cited in Paragraph 18 of the Complaint, or that otherwise support said calculation.

RESPONSE:

Based on it is a "buy back," calculate according to the standard formula.

REQUEST NO. 27:

All documents and communications exchanged between you (or your attorney) and Allstate regarding calculation of TPP in 2020, including but not limited to contacts in June 2020 and email exchanges between your attorney and Allstate between November 2020 and January 2021.

RESPONSE:

Under 14 and 20.

REQUEST NO. 28:

All documents supporting your contention that if the economic interest in your Book

“were sold to any normal buyer, the excluded sum of \$392,736.52 would be included in the calculation of the selling price” as alleged in Paragraph 18 of the Complaint.

RESPONSE:

Catherine Lee’s Letter of Intent has included this portion of the book (which may have slight differences because of changing with the time) in her offer for the economic interest of the book of business. It was produced under 6b.

REQUEST NO. 29:

The August 5, 2015 email from Diana Heflin of Allstate referenced in Paragraph 23 of the Complaint, including all attachments to that email as described in Paragraph 23.

RESPONSE:

Under 1b.

REQUEST NO. 30:

All documents and communications supporting your contention that Ann Smith, Brandon Hokansen, and David Mueller “knew that Shao was not informed of this ‘secret’ of Allstate at the time when he purchased the book in question,” as alleged in Paragraph 25 of the Complaint.

RESPONSE:

I asked Why. I told them that I did not know. They knew I did not know. They evaded answering the question. I expressed that in a more poetic fashion. Do we always have documentation in conversations?

REQUEST NO. 31:

All documents and communications supporting your contention that “Allstate took the position that the TPP amount should have been paid out in 24 monthly installments, although there is no contractual basis for this” as alleged in Paragraph 28 of the Complaint.

RESPONSE:

This is a misstatement of mine, at the time I thought TPP is a “buy back.” It is not. It is an appropriation of other’s property. And unilaterally Allstate designs the contract that way.

REQUEST NO. 32:

All documents and communications supporting your contention that “Shao’s financial interests in the book remains in force until the final payment was made” as alleged in Paragraph 28 of the Complaint.

RESPONSE:

See REQUEST FOR ADMISSIONS NO. 16

REQUEST NO. 33:

All documents you contend support your contention that Allstate should pay you the “prevailing annual commission of 9% on the sum of \$960,772.39” as alleged in Paragraph 28 of the Complaint.

RESPONSE:

Same answer as No. 32. Refer to REQUEST FOR ADMISSIONS NO. 16

REQUEST NO. 34:

Documents evidencing your current outstanding loan balance.

RESPONSE:

In PTM Schedule, which I produced under No. 24.

REQUEST NO. 35:

Documents evidencing any outstanding balance of TPP you claim Allstate still owes you.

RESPONSE:

I argued from the standpoint of “buy back.” If the court find TPP lawful, then let us do the calculations again.

REQUEST NO. 36:

Copies of any documents or communications evidencing any demand(s) made by you or your attorney to Allstate regarding amounts you claim are owed to you from Allstate prior to filing the Complaint.

RESPONSE:

As I said in No. 35, we argued from the standpoint of “buy back.”

REQUEST NO. 37:

All documents and communications evidencing any request(s) by you to Allstate for a copy of the EA Agreement and/or the EA Supplement.

RESPONSE:

I learned in 12-2015 that I could view the EA Supplement on Gateway.

REQUEST NO. 38:

To the extent not produced in response to the above Requests, all documents and

communications, either oral or written, between you and any person, including but not limited to any past or present employee or agent of Allstate, relating to any allegation contained in the Complaint.

RESPONSE:

Do not understand the statement. Please specify your legal right and my legal obligation.

REQUEST NO. 39:

To the extent not produced in response to the above Requests, all documents you maintain or have maintained in any form, including but not limited to, personal records, socialmedia posts, notes, websites, audio recordings, calendars, journals and/or diaries, that relate to any allegation in the Complaint.

RESPONSE:

Do not understand the statement. Please specify your legal right and my legal obligation.

REQUEST NO. 40:

To the extent not produced in response to the above Requests, all documents relating to any investigation, or request from you for an investigation, by Allstate or any other entity or government agency, into any aspect of the allegations contained in the Complaint.

RESPONSE:

Do not understand the statement. Please specify your legal right and my legal obligation.

REQUEST NO. 41:

To the extent not produced in response to the above Requests, all documents and communications reflecting any statements, affidavits, or declarations from any person relating to the subject matter of this litigation

RESPONSE:

Do not understand the statement. Please specify your legal right and my legal obligation

REQUEST NO. 42:

To the extent not produced in response to the above Requests, all documents that evidence the purported wrongful conduct of Allstate, as alleged in the Complaint.

RESPONSE:

Do not understand the statement. Please specify your legal right and my legal obligation.

REQUEST NO. 43:

All documents that relate to or support any claim by you for damages or losses you claim or seek to recover as a result of this litigation.

RESPONSE:

Do not understand the statement. Please specify your legal right and my legal obligation.

REQUEST NO. 44:

All documents that relate to your attempt, if any, to mitigate your alleged damages.

RESPONSE:

Do not understand the statement. Please specify your legal right and my legal obligation.

REQUEST NO. 45:

All documents furnished to, revised by, or relied upon by any expert witness whom you expect to call at trial in this matter.

RESPONSE:

Do not understand the statement. Please specify your legal right and my legal obligation.

REQUEST NO. 46:

The curriculum vitae or resume of every expert you expect to call at trial in this matter.

RESPONSE:

To be determined.

REQUEST NO. 47:

To the extent not produced in response to the above Requests, all documents you intend to use or offer into evidence at any deposition, hearing, or trial in this matter.

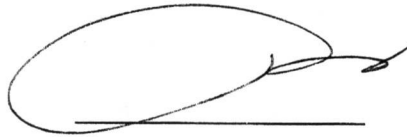
RESPONSE:

To be determined.

Dated: September 16 , 2022

PAUL SHAO,

Pro se litigant

A handwritten signature in black ink, consisting of a large, fluid loop that ends in a small flourish. Below the signature is a solid horizontal line.

Paul Shao

9233 Lee Masey Drive,

Lorton, Virginia 22079

(202) 290-6300 Telephone

paulyshao@gmail.com

CERTIFICATE OF SERVICE

I certified that on September 16, 2022, a copy of the foregoing PLAINTIFF PAUL SHAO'S RESPONSE TO DEFENDANT ALLSTATE INSURANCE COMPANY'S FIRST SET OF REQUESTS FOR PRODUCTION OF DOCUMENTS AND THINGS was filed with the clerk's office of the Court, emailed, and mailed to Defendant at the following address:

Bret C. Marfut
bmarfut@sayfarth.com
SEYFARTH SHAW LLP
975 F Street, N.W.
Washington, DC 20004-1454

A handwritten signature in black ink, consisting of a large, rounded loop followed by a horizontal line extending to the right.

Paul Shao