

PRESS RELEASE

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ARIZONA INSURANCE DIRECTOR SUSPENDS LICENSE OF ADJUSTER ACCUSED OF USING BOGUS SIGNATURE STAMPS TO DEPOSIT \$197,487; DIVERTED \$91,654.61 TO HIS OWN USE

Arizona Insurance Director Charles R. Cohen has issued an order summarily suspending the license of an insurance adjuster suspected of using forged signature stamps to deposit reimbursement payments totaling \$197,487.32 into his bank account, and diverting \$91,654.61 of that amount to his own use.

The adjuster, Robert Gary Rich of Phoenix, is accused in four separate counts of using unauthorized signature stamps of two mortgage companies, a loan company and a building contractor and depositing insurance recovery checks in his own bank account. Rich has been doing business as Rob Rich & Associates and Arizona Casualty Claim Authority Inc. (ACCA).

Here is a brief summary of the allegations in each count:

1. On or about June 2, 1998, Rich/ACCA entered into an agreement with Denise Albert of Phoenix to assist in the adjustment of Albert's residential fire loss. On or about Aug. 20, Farmers Home Group issued a check for \$4,412 made payable to Albert, ACCA and Royal Restoration Co., which Albert had hired to make the necessary repairs. Rich made a stamp in the name of Royal Restoration without the firm's knowledge or permission and deposited the check in ACCA's bank account. Rich did not make payment to Royal Restoration until after he was contacted by the Insurance Department in December.

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2. On or about July 21, 1998, Rich/ACCA entered into an agreement with Arnulfo and Carmen Rodriguez of Phoenix to assist in the settlement of their claim for residential fire loss. Metropolitan Property and Casualty Insurance Company issued two checks during September totaling \$73,924.13 payable to the Rodriguezes, ACCA and Irwin Mortgage. Rich used a stamp in the name of Irwin Mortgage without the firm's knowledge or permission and deposited the checks in his account. Rich issued a check to the Rodriguezes for \$25,609.10 to cover their contents loss, but the check bounced.
3. On or about July 17, 1998, Rich/ACCA entered into an agreement with Todd Michaels of Phoenix to assist in the adjustment of Michaels' residential fire loss. On or about Sept. 26, Cigna Property and Casualty Insurance Company issued a check for \$95,163.97 payable to Michaels, Norwest Mortgage Inc. and ACCA. A stamp and signature in the name of Norwest Mortgage Inc. that was used to endorse the check was not authorized by Norwest.
4. On or about Aug. 3, 1998, Rich/ACCA entered into an agreement with John Airheart of Mesa to assist in the adjustment of Airheart's fire loss. On or about Aug. 14, State Farm Fire & Casualty Company issued a check for \$23,987.22 payable to John and Kathleen Airheart, CountryWide Home Loans and ACCA. A stamp and signature in the name of CountryWide Home Loans was used to endorse the check without the company's authorization, and the check was deposited in ACCA's account. ACCA paid \$10,668.74 to Legacy Construction for repairs to the Airhearts' home and used the rest of the settlement to pay fees to Rich/ACCA, without the consent of the Airhearts.

A hearing is scheduled for May 17 at 9 a.m., at the Office of Administrative Hearings, 1400 W. Washington St., Suite 101, Phoenix. If the allegations are proven, Rich's license is subject to revocation. Rich's insurance adjuster's license was suspended effective March 24, 1999, pending the results of the hearing based on Cohen's finding that the public welfare requires emergency action.