

PRESS RELEASE



JANE DEE HULL
GOVERNOR

CHARLES R. COHEN
DIRECTOR

ARIZONA DEPARTMENT OF INSURANCE

2910 North 44th Street, Suite 210, Phoenix, Arizona 85018-7256 · (602) 912-8456 · FAX: (602) 912-8452
<http://www.state.az.us/id>

Contact: Don Harris
Public Information Officer
602/912-8402

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ARIZONA INSURANCE DIRECTOR ORDERS EMERGENCY SUSPENSION OF LICENSE OF ADJUSTER ACCUSED OF CONVERTING \$72,189 TO OWN USE

Arizona Insurance Director Charles R. Cohen has issued an order summarily suspending the license of an insurance adjuster suspected of misappropriating \$72,189.98 in insurance payments, pending a hearing on the charges.

The action by Cohen against Sarasohn and Company Inc. of Arizona also charges that Sarasohn and Company was not licensed as an insurance adjuster in April 1997, when the firm began acting as an adjuster. Members of Sarasohn's board of directors are identified as Gerald A. Doto, Thomas W. Gillespie and Ira J. Sarasohn.

The Insurance Department alleges that Sarasohn and Company agreed to represent an insured individual in the adjustment of a residential fire loss. SPS Builders Inc., which shared offices with Sarasohn and Company and is owned by the same New Jersey corporation, was hired to do the repair work.

The insurance company, Colonial Penn, issued checks totaling \$142,140.31 to cover the loss. Of that amount, Sarasohn and Company made disbursements totaling \$69,950.33, and retained \$72,189.98. No repairs were made to the insured's home.

The suspension order alleges that on or about June 1, 1998, Sarasohn and Company and SPS vacated their Phoenix offices at 3333 E. Camelback Rd., without giving notice to their clients.

Cohen issued the order immediately suspending Sarasohn and Company's license prior to a hearing because he found that "the public health, safety or welfare imperatively requires emergency action." A hearing is set for April 29, at 9 a.m., at the Office of Administrative Hearings, 1400 W. Washington St., Suite 101, Phoenix. If the allegations are proven, Cohen could revoke the firm's license, impose a civil penalty, and/or order restitution. Sarasohn and Company's insurance adjuster's license, which became effective April 9, 1998, was suspended on March 26, 1999.