

1 Order of the Director on July 23, 2001 In The Matter of Monte J. Bauer, Docket No. 01A-189-INS. In
2 the Order, Bauer admitted that over the course of approximately nine years Berenter investigated and
3 negotiated first party insurance claims on Bauer's behalf. In payment for Berenter's services, Bauer
4 paid him a percentage of the amount recovered on each claim.

5 5. From and about 1992 to July 2001, Berenter contracted with Bauer and Associates.
6 Berenter met with insurance company claim representatives at loss sites, investigated the loss and
7 determined damages and negotiated first party insurance claims on behalf of Bauer.

8 **COUNT I**

9 6. On or about February 10, 2001, Bauer entered into a representation agreement with Ruth
10 and Fernando Maldonado (the Maldonados) to investigate and negotiate a settlement of a fire loss claim
11 on their home. This agreement was signed by Berenter.

12 7. On or about February 13, 2001, Berenter notified the Maldonado's insurer, American
13 National Property & Casualty Insurance Company (ANPAC), through its adjuster, that Bauer had been
14 retained to represent the Maldonados in the negotiation and settlement of their claim. The notification
15 was signed by Berenter with the notation "For The Firm."

16 8. On or about February 14, 2001, Berenter, Kane and Bauer met with ANPAC's adjuster
17 to walk-thru the damages to the Maldonados' home. Although Bauer was physically present at this
18 initial walk-thru, Berenter assessed all of the damages. Bauer did not participate in the walk-thru.
19 Kane's role was limited to answering one or two of Berenter's questions.

20 9. Throughout February and March 2001, Berenter sent 10 separate pieces of
21 correspondence with various demands to ANPAC to settle the Maldonados' claim. These documents
22 were all signed by Berenter and included the notation "For The Firm." With the exception of the initial
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1 walk-thru, all oral discussions with ANPAC about the scope and the settlement of the Maldanados'
2 claim were conducted by Berenter.

3 **COUNT II**

4 10. On or about February 22, 2001, Bauer entered into a representation agreement with
5 Alfred and Ernestina Garcia (the Garcia's) to investigate and negotiate a settlement of a fire loss claim
6 on their home. This agreement was signed by Kane.

7 11. On or about February 22, 2001, Berenter notified the Garcia's insurer, American Summit
8 Insurance Company (American Summit), that Bauer had been retained to represent the Garcia's in the
9 negotiation and settlement of their claim. The notification was signed by Bauer with the notation "For
10 The Firm."

11 12. On or about February 23, 2001, Berenter and Kane met with American Summit's
12 adjuster to walk-thru the damages to the Garcia's home. Bauer was not physically present at this walk-
13 thru. Berenter assessed all of the damages. Kane's role was limited to answering one or two of
14 Berenter's questions.

15 13. In and around February and March 2001, Berenter sent six (6) pieces of correspondence
16 with various demands to American Summit to negotiate the settlement of the Garcia's claim. These
17 documents were all signed by Berenter and included the notation "For The Firm." All correspondence
18 and discussions with American Summit about the scope and the settlement of the Garcias' claim were
19 conducted by Berenter.

20 **COUNT III**

21 14. In or around March 2001, Bauer entered into a representation agreement with Juanita
22 Gamble (Gamble) to investigate and negotiate a settlement of a fire loss claim at her home.

1 4. Grounds exist for the Director to issue an order to cease and desist pursuant to A.R.S.
2 §20-305.

3 **ORDER**

4 IT IS THEREFORE ORDERED THAT:

5 1. Berenter shall immediately cease and desist from investigating and negotiating
6 settlements of claims arising under insurance contracts on behalf of others for compensation.

7 2. This Order shall become effective immediately and shall remain in full force and effect
8 until otherwise stayed, modified, vacated or set aside.

9 DATED AND EFFECTIVE this 20th day of August, 2001.

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11 _____
12 CHARLES R. COHEN
13 Director of Insurance

14 **NOTICE**

15 The determination set forth in this Order is an "appealable agency action" pursuant to A.R.S.
16 §41-1092. Consequently, you have the right to obtain a hearing on this determination by filing a Notice
17 of Appeal within thirty (30) days after your receipt of this Order. If your Notice of Appeal is received
18 after the thirty (30) day period, it will not be accepted without a demonstration of good cause for the
19 late filing. The Notice of Appeal must identify the party appealing, the party's address, the
20 determination being appealed, and must contain a concise statement of the reasons for the appeal. The
21 Department of Insurance will serve a Notice of Hearing at least thirty (30) days before the hearing,
22 which will inform you of the date, time and location of the hearing as well as the issues in controversy.

1 If you file a Notice of Appeal, you may also request an informal settlement conference by filing
2 a written request no later than twenty (20) days before the scheduled hearing. The conference will be
3 held within fifteen (15) days of your request. If an informal settlement conference is requested, a
4 person with authority to act on behalf of the Department of Insurance will be present. Please note that
5 you waive any right to object to the participation of the Department's representative in the final
6 administrative decision of the matter if it is not settled.

7 The Notice of Appeal and request for Informal Settlement Conference described above
8 may be addressed to:

9 Deputy Director
10 Arizona Department of Insurance
11 2910 North 44th Street, Suite 210
 Phoenix, Arizona 85018
 ATTN: Hearing Administration

12 COPIES of the foregoing mailed/delivered
13 this 21st day of August, 2001, to:

14 David Alan Berenter
15 35 West Kaler Drive
16 Phoenix, AZ 85021

17 Shelby L. Cuevas
18 Assistant Attorney General
19 1275 West Washington Street
20 Phoenix, Arizona 85007
21 Attorney for the Department

22 Francis L. Johansen
23 State Bar of Arizona
24 111 W. Monroe, Suite 1800
Phoenix, Arizona 85003

Office of Administrative Hearings
1400 West Washington, Suite 101
Phoenix, Arizona 85007

1 Sara Begley, Deputy Director
Gerrie Marks, Executive Assistant for Regulatory Affairs
2 Mary Butterfield, Assistant Director
Catherine O'Neil, Consumer Legal Affairs Officer
3 Scott Greenberg, Chief Operating Officer
Robert Alonzo, Investigator
4 Arizona Department of Insurance
2910 North 44th Street, Suite 210
5 Phoenix, AZ 85018

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Curvey Walters Burton

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