

*Insurance*  
STATE OF ARIZONA  
FILED

NOV 4 1993

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26

2791c:CPA93-218

STATE OF ARIZONA  
DEPARTMENT OF INSURANCE

DEPARTMENT OF INSURANCE  
By *[Signature]*

In the Matter of: )  
WILLIAM EDWARD BERGH, dba, ) No. 8184  
NATIONAL FINANCIAL GROUP ) CONSENT ORDER  
Respondent. )

A Notice of Hearing ("Notice") was issued by the Director ("Director") of the Arizona Department of Insurance (the "Department") on August 23, 1993, wherein the Department made certain allegations of violations of A.R.S. Title 20 committed by Respondent. Respondent has received a copy of the Notice and has been advised of his right to a hearing in this matter, which he waives.

Respondent admits the following Findings of Fact and Conclusions of Law are true and consents to the entry of the following Order.

FINDINGS OF FACT

1. William Edward Bergh ("Respondent") was at all material times licensed as a life, disability and variable annuity agent in the State of Arizona, license number 0587470.
2. At all material times, Respondent was transacting business under the assumed business name of National Financial Group ("National Financial"). Respondent is the owner and operator of National Financial.

RECEIVED  
NOV 04 1993

ARIZONA DEPT. OF INS.  
LICENSING SECTION

PENGAD-Bayonne, N. J.  
STATES  
EXHIBIT  
*49*

1           3.    On or about April 19, 1990 Respondent received an  
2 application and \$3,550.00 in premium from David Smith ("Smith")  
3 for a home health care policy through NN Investors Life Insurance  
4 Company, Inc. ("NN").

5           4.    At the time of the application, Respondent  
6 forwarded \$1,957.80 to American Insurance Center, Inc. ("AIC"), a  
7 managing general agent for NN and retained his commission of  
8 \$1,592.00.

9           5.    NN subsequently denied Smith's application.

10          6.    On or about May 10, 1990, NN forwarded Respondent  
11 check number 7330263 in the amount of \$1,957.80 for the premium  
12 refund for Smith's policy.

13          7.    On or about May 29, 1990, Respondent deposited  
14 check number 7330263 in his National Financial account at First  
15 Interstate Bank.

16          8.    Respondent failed to refund Smith his premium of  
17 \$3,550.00. Respondent contends that he mailed the refund money  
18 to Smith.

19          9.    Subsequently, in December, 1990, NN refunded to  
20 Smith the \$3,550.00 premium directly.

21          10.   On or about December 29, 1990, NN sent Respondent  
22 his monthly agent's statement which reflected Respondent's debit  
23 balance of \$3,550.00. The statement indicated that all debit  
24 balances must be remitted immediately.

25          11.   Respondent failed to remit the \$3,550.00 owed to NN.



1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26

ORDER

NOW, THEREFORE, IT IS ORDERED:

1. Respondent shall pay a civil penalty in the amount of \$500 within 30 days of entry of this Consent Order.

~~DATED in Phoenix~~, Arizona this 4th day of November, 1993.



SUSAN GALLINGER, Director  
Arizona Department of Insurance

CONSENT TO ORDER

1. The undersigned acknowledges that he has read the foregoing Findings of Fact, Conclusions of Law and Order and is aware of his right to an administrative hearing in this matter and has waived same.

2. The undersigned admits the jurisdiction of the Department and admits the foregoing Findings of Fact and Conclusions of Law and consents to entry of the foregoing Order.

3. The undersigned states that no promises were made to him to induce him to enter into this Consent Order and declares that he has entered into this Consent Order voluntarily.

4. The undersigned acknowledges that acceptance of this Consent Order is for the purpose of settling this litigation as against him and does not preclude the Department, or any other agency or officer of this State, or subdivision thereof, from

1 instituting other civil or criminal proceedings as may be  
2 appropriate now or in the future.

3 5. The undersigned waives all rights to challenge such  
4 Findings of Fact, Conclusions of Law and Order on appeal or  
5 otherwise, and agrees to be bound by the foregoing Order.

6  
7 Date: 10-15-93 William Edward Bergh  
8 WILLIAM EDWARD BERGH  
9

10 COPY of the foregoing mailed  
11 this 4th day of November,  
12 1993, to:

13 Kathryn Leonard  
14 Assistant Attorney General  
15 1275 West Washington  
16 Department of Law Building, Room 259  
17 Phoenix, Arizona 85007

18 Chris Herstam, Deputy Director  
19 Katrina Rogers, Chief Hearing Officer  
20 Charles R. Cohen, Assistant Deputy Director  
21 Jay Rubin, Assistant Director  
22 Arnold Sniegowski, Investigator  
23 Maureen Catalioto, Supervisor  
24 Department of Insurance  
25 2910 N. 44th Street, Suite 210  
26 Phoenix, Arizona 85018

John T. Gilbert  
Norling, Oeser & Williams  
3636 N. Central Avenue  
Tenth Floor  
Phoenix, AZ 85012

William E. Bergh  
6802 W. Surrey  
Peoria, AZ 85381

Chris E. Crawford