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NEWS

Illinois Department of Insurance

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Illinois Department of Insurance Revokes License of Insurance Agent, and His Insurance Agency for Diverting Thousands of Dollars in Consumer Premiums

Department also imposes \$100,000 Fine

CHICAGO – The Illinois Department of Insurance has issued an **Order** against producer licensee Earl D. Bertsche and Bertsche and Berry, Inc., for failing to remit premium money from Illinois consumers to insurance companies and for engaging in improper insurance-related activity.

The Department's investigation revealed that since 2007, Mr. Bertsche and his agency, Bertsche and Berry, Inc., of Pontiac, withheld thousands of dollars in insurance premiums due to insurers or other licensees, issued fraudulent certificates of insurance and defaulted on a promissory note to an insurer that represented a premium of more than \$334,000. As a result, the Department issued an Order on September 10, 2009, revoking insurance licenses from both Mr. Bertsche and Bertsche and Berry, Inc., and imposing a civil penalty of \$100,000.

"The Department's investigation indicated immediate action was necessary to protect Illinois consumers. Our core mission is consumer protection, and the Order against Mr. Bertsche further emphasizes that producer misconduct will not be tolerated," said Michael T. McRaith, Director of the Illinois Department of Insurance.

The Department investigation found that in 2007, Mr. Bertsche and Bertsche and Berry, Inc., led an Illinois consumer to believe that its insurance premiums, amounting to nearly \$75,000, were placed through two separate insurers for the 2007 and 2008 policy years. Neither insurer, though, ever received payments on behalf of the consumer because, as Mr. Bertsche later admitted, he failed to deliver those funds to provide coverage. In 2008, Mr. Bertsche and Bertsche and Berry, Inc., brokered a policy worth more than \$114,000 in premiums but failed to pay more than \$61,000 of premiums due to another producer.

The Department also discovered through its investigation that Mr. Bertsche and Bertsche and Berry, Inc., issued four fraudulent certificates purporting to represent commercial property insurance for three Illinois consumers, the cost of which allegedly totaled nearly \$115,000. However, none of the certificates are valid because Mr. Bertsche failed to provide the premium funds to the insurer. In another instance, Mr. Bertsche and Bertsche and Berry, Inc., again due to a failure to deliver premium funds paid by a consumer, entered a into promissory note with that insurer to pay more than \$334,000 for the unpaid premium, \$155,000 of which remains outstanding.

Mr. Bertsche and Bertsche and Berry, Inc., can request a hearing to rebut the allegations stemming from the Department's investigation.

More Information

The mission of the Illinois Department of Insurance is to protect consumers by providing assistance and information, by efficiently regulating the insurance industry's market behavior and financial solvency, and by fostering a competitive insurance marketplace. The Department assists consumers with all insurance complaints, including health, auto and homeowners. Consumers in need of information or assistance should visit the Department's web site at <http://insurance.illinois.gov> or call our toll-free hotline at (877) 527-9431.