

AUG 25 1982

DEPARTMENT OF INSURANCE

By

*Ch*

## STATE OF ARIZONA

## DEPARTMENT OF INSURANCE

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2  
3 In the Matter of ) Docket No. 5013  
4 RICHARD EARL BREDAHL, ) ORDER  
5 Respondent. )  
6

7 The Respondent submitted a written request for a review  
8 of this matter alleging that a portion of finding number 5. was  
9 incorrect. It appears that the premium which the complainant,  
10 Robert Whitehead, paid to the Respondent was in fact returned  
11 since no insurance policy was issued.

## IT IS HEREBY ORDERED:

12  
13 1. The finding of fact paragraph 5. of the June 30,  
14 1982 Order is amended to read as follows:

15 "5. Mr. Whitehead, as a result of the  
16 Respondent's negligence, suffered damages  
17 of at least One Thousand Forty-eight Dollars  
18 and 64/100 (\$1,048.64), which is the approxi-  
19 mate low bid for the repairs to the premises.  
20 To date, the Respondent has made no effort to  
21 pay the amount of damages incurred."

22 2. The Director's Order of June 30, 1982 is amended as  
23 follows:

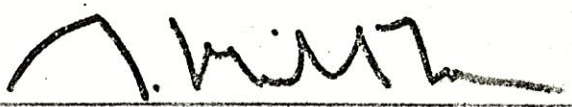
24 "1. The Respondent's broker's license is hereby  
25 revoked. The Respondent shall surrender his  
26 broker's license to the Licensing Division of the  
27 Department of Insurance on or before September 30,  
28 1982.

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2. The Respondent's agent's license is suspended until the damages suffered by the complainant, Robert Whitehead, have been paid or Mr. Whitehead has been reimbursed. The suspension shall commence September 30, 1982 and shall continue, for not longer than twelve (12) months, until proof of the satisfaction of the damages for reimbursement has been submitted to the Department. The Respondent shall deliver his license to the Licensing Division of the Department of Insurance on September 30, 1982.

3. The Respondent shall forfeit and pay to the Director the sum of ONE HUNDRED DOLLARS (\$100.00) on or before September 30, 1982."

EFFECTIVE this 25<sup>th</sup> day of August, 1982.

  
\_\_\_\_\_  
J. MICHAEL LOW  
Director of Insurance

  
\_\_\_\_\_  
JEFFREY P. LARSON  
Chief Hearing Officer

1 COPY of the foregoing mailed this  
2 26<sup>th</sup> day of August, 1982, to:


3 Susan B. Lagerman  
4 Assistant Attorney General  
5 1275 West Washington  
6 Phoenix, Arizona 85007

7 T. E. Morales, Chief, Consumer Affairs Division  
8 Shirley Wutz, Licensing Supervisor  
9 Arizona Department of Insurance  
10 1601 West Jefferson  
11 Phoenix, Arizona 85007

12 Richard Earl Bredahl  
13 1316 East Donner Drive  
14 Tempe, Arizona 85282

15 Robert Whitehead  
16 1939 South Sossaman  
17 Mesa, Arizona 85208

18 William H. Kelso, President  
19 First Financial Insurance Company  
20 401-417 Fayette Avenue  
21 Springfield, Illinois 62704

22   
23 Claudia R. Smith  
24 Claudia R. Smith

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STATE OF ARIZONA  
FILED

JUN 30 1982

DEPARTMENT OF INSURANCE

By CSA

STATE OF ARIZONA  
DEPARTMENT OF INSURANCE

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3 In the Matter of )  
4 RICHARD EARL BREDAHL, )  
5 )  
6 Respondent. )  
\_\_\_\_\_ )

Docket No. 5013

ORDER

7  
8 THIS MATTER HAVING regularly come on for hearing on  
9 the 16th day of June, 1982 before JEFFREY P. LARSON, Chief  
10 Hearing Officer for the Department of Insurance, and the Department  
11 being represented by Susan Lagerman, Assistant Attorney General,  
12 and the Respondent appearing in person, and testimony and  
13 evidence having been submitted, it is found as follows:

14 1. The Respondent is a licensed agent.

15 2. On or about January 12, 1982, Mr. Robert Whitehead  
16 wrote a check to the Richard Bredahl Agency as and for insurance  
17 premium on Mr. Whitehead's business and home. This check was  
18 deposited in Mr. Bredahl's account and subsequently forgotten.

19 3. On March 3, 1982, Mr. Whitehead had a loss at his  
20 business. Mr. Whitehead subsequently contacted Mr. Bredahl to  
21 report the loss and inquired regarding a settlement of the claim.  
22 Mr. Bredahl represented that the claims adjuster was delayed and  
23 that deductibles would have to be paid, when in fact the policy  
24 had no deductible. Mr. Whitehead eventually called Statewide  
25 Insurance Agency through which Mr. Bredahl had brokered this  
26 business. Mr. Whitehead then discovered that he had no insurance  
27 and that his loss was not covered.

28 4. On April 26, 1982, Mr. Bredahl admitted by a letter

1 to Mr. P. J. McKirchy, Investigator with the Department of  
2 Insurance, that there was no coverage for his failure to remit  
3 the premiums to the insurer.

4 5. Mr. Whitehead, as a result of the Respondent's  
5 negligence, suffered damages of at least One Thousand Forty-eight  
6 Dollars and 64/100 (\$1,048.64), which is the approximate low bid  
7 for repairs to the premises. It also appears that the premium  
8 paid has not yet been returned to Mr. Whitehead. To date,  
9 Respondent has made no effort to reimburse the premium paid or  
10 pay the amount of the damages suffered.

11 IT IS CONCLUDED as a matter of law that grounds exist  
12 to suspend or revoke the Respondent's insurance license or  
13 impose a monetary forfeiture, or both, for illegally withholding  
14 money belonging to a policyholder received in and during the  
15 conduct of business under the licenses, pursuant to Arizona  
16 Revised Statutes, Section 20-316.

17 IT IS HEREBY ORDERED:

- 18 1. The Respondent's insurance licenses are revoked.  
19 2. Any appeal of this matter must first be preceded  
20 by a written request for a review or rehearing made within  
21 thirty (30) days of the date of this Order.

22 EFFECTIVE this 30<sup>th</sup> day of June, 1982.

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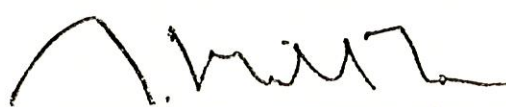
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J. MICHAEL LOW  
Director of Insurance

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COPY of the foregoing mailed this  
30<sup>th</sup> day of June, 1982, to:


Susan B. Lagerman  
Assistant Attorney General  
1275 West Washington  
Phoenix, Arizona 85007

Marc Stern, Chief, Investigations  
Shirley Wutz, Supervisor of Licensing  
Arizona Department of Insurance  
1601 West Jefferson  
Phoenix, Arizona 85007

Richard Earl Bredahl  
1316 East Donner Drive  
Tempe, Arizona 85282

Robert Whitehead  
1939 South Sossaman  
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William H. Kelso, President  
First Financial Insurance Company  
401-417 Fayette Avenue  
Springfield, Illinois 62704

  
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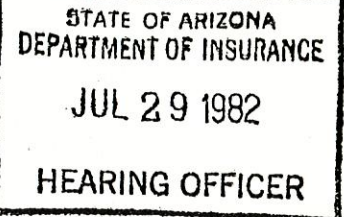


THE  
 **Farmers Insurance Group** OF COMPANIES

RICHARD E. BREDAHL, Agent  
4845 East Elliott Road  
Ahwatukee Plaza  
Phoenix, Arizona 85044  
Bus: 893-3535  
Res: 838-7743

July 23, 1982

Department of Insurance  
Jeffrey P. Larson  
1601 W. Jefferson  
Phoenix, Az 85007



RE: Docket No. 5013

Dear Sir:


I request an appeal of the matter in which, I, Richard Earl Bredahl, as respondent, had a hearing on June 16, 1982, before Jeffrey P. Larson, Chief Hearing Officer for the Department of Insurance.

I Don't think a rehearing is necessary but a review is in order as the statements contained in paragraph 5 of Docket No. 5013 are not complete and do not contain all the facts as they occurred.

Please notify me of when I may present myself along with the information which will change the content of paragraph 5.

Thank You.

Sincerely,

  
Richard E. Bredahl