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NEWS

Illinois Department of Insurance

FOR IMMEDIATE RELEASE:

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Illinois Department of Insurance Disciplinary Report for July and August 2012

CHICAGO – September 12, 2012. The Illinois Department of Insurance today announced the following disciplinary orders:

Richard Binder, Tinley Park - Insurance producer license application denial effective July 23, 2012. Mr. Binder's application for insurance producer license was denied as a result of an investigation which revealed he submitted 23 fraudulent applications to an insurer in order to receive advanced commissions, and he failed to reveal a previous Voluntary Revocation. The Department assessed a \$5000.00 civil penalty and requires restitution to the insurer in the amount of \$28,099.74.

Raymond M. Brown, Chicago - Limited lines producer license application denial effective July 13, 2012. Mr. Brown's application for a limited lines insurance producer license was denied as a result of an investigation which revealed he had been convicted of two felonies (2 counts of Possession of a Controlled Substance) in 1995.

Matthew W. East, Des Plaines - Insurance producer license revoked effective July 25, 2012. Mr. East accepted the Voluntary Revocation Order to avoid the Department's continued investigation of his insurance related practices and/or activities. Mr. East had been a licensed insurance producer since 2011 but is no longer able to effect insurance transactions in the state, without violating Illinois Insurance Code and facing felony charges.

Stephen M. Heidelberg, Springfield - Insurance producer license suspended effective August 8, 2012. Mr. Heidelberg had been licensed to sell life insurance since October 8, 2010. The license was suspended based on certification from the Department of Revenue that Mr. Heidelberg has an income tax liability. The suspension will remain in effect until he proves that he has complied with the Illinois Income Tax Act.

Byron Jones, Homewood - Insurance producer license application denial effective July 18, 2012. Mr. Jones's application for insurance producer license was denied as a result of a Director's Order regarding Hearing No. 12-HR-0060. The Order, which rescinded a previously issued civil penalty, sustained the original Letter of Denial issued on December 13, 2011. The denial resulted from an investigation which revealed Mr. Jones had two violations of a previously issued Director's Order, and failed to comply with an order imposing a child support obligation.

Christy Martinez De Escobar and Mega Insurance & Services Co., Chicago - Insurance producer license and business entity license revoked effective July 9, 2012. Ms. Martinez De Escobar accepted the Voluntary Revocation Order to avoid the Department's continued investigation of her insurance related practices and/or activities. Ms. Martinez De Escobar had been a licensed insurance producer since 2003 but is no longer able to effect insurance transactions in the state, without violating Illinois Insurance Code and facing felony charges.

Stephen C. Nave, Peoria - Stipulation and Consent Order issued regarding the producer license effective June 29, 2012. Mr. Nave has been licensed to sell life, health and variable lines of insurance since 1986. The Stipulation and Consent Order, which includes a \$3,500 civil penalty and corrective orders, alleges that Mr. Nave submitted documents to an insurer that contained non-genuine signatures and misrepresented the terms of a proposed insurance contract.

Marcella D. Noel, Danville - Insurance producer license revoked effective August 17, 2012. Ms. Noel had been licensed to sell life, health, casualty, fire and variable lines of insurance since 2008. The license was revoked as a result of an investigation which revealed she had been convicted of a felony (Identity Theft) in 2012.

General Insurance Services of North Chicago and James S. Papas, Lake Forest - The business entity and insurance producer licenses revoked effective July 13, 2012. Mr. Papas had been licensed to sell life, health, fire and casualty lines of insurance since June 1, 1973. The license was revoked as a result of an investigation which revealed misappropriation of fiduciary monies, improper withholding of premiums, failure to return premiums timely, rebating, multiple violations of Premium Fund Trust Account (PFTA) record keeping, and six violations of a previously issued Director's Order. The Order of Revocation includes a \$48,500 civil penalty, as well as restitution of \$17,519.38 to a Premium Finance Company and \$1,471.64 to a consumer.

Pamela Pickett, Belleville - Insurance producer license application denial effective July 13, 2012. Ms. Pickett's application for insurance producer license was denied as a result of an investigation which revealed she had been convicted of a felony (Aggravated Discharge of a Firearm) in 1999.

Jori Plunkett, Chicago - Insurance producer license revoked effective August 17, 2012. Ms. Plunkett accepted the Voluntary Revocation Order to avoid the Department's continued investigation of her insurance related practices and/or activities. Ms. Plunkett had been a licensed insurance producer since 2011 but is no longer able to effect insurance transactions in the state, without violating Illinois Insurance Code and facing felony charges.

Paul Scardino, Park Ridge - Insurance producer license application denial effective June 12, 2012. Mr. Scardino's application for insurance producer license was denied as a result of a Director's Order regarding Hearing No. 11-HR-1052. The Order, which included \$179.80 in hearing costs, sustained the original Letter of Denial. The denial resulted from Mr. Scardino being convicted of a felony (Wire Fraud) in 1998 and his cosmetology teacher license was revoked in 2003 by the Illinois Department of Professional Regulation.

Scott S. Scharebroch, Stevens Point, Wisconsin - Insurance producer license application denial effective August 16, 2012. Mr. Scharebroch's application for insurance producer license was denied as a result of an investigation which revealed he had been convicted of a felony (Possession of Methamphetamine) in 2008.

Brad P. Schieber, Orland Park - Insurance producer license revoked effective July 13, 2012. Mr. Schieber's License was revoked as a result of an investigation, which revealed he had been permanently prohibited from offering or selling securities by the Illinois Secretary of State Department of Securities in 2011.

Arnold Gene Schroeder, New Lenox - Insurance producer license revoked effective August 17, 2012. Mr. Schroeder accepted the Voluntary Revocation Order to avoid the Department's continued investigation of his insurance related practices and/or activities. Mr. Schroeder had been a licensed insurance producer since the 1970s but is no longer able to effect insurance transactions in the state, without violating Illinois Insurance Code and facing felony charges.

Tracy L. Sunderlage, Huntley, Illinois and Seminole, Florida - Insurance producer license revoked effective July 3, 2012. Mr. Sunderlage accepted the Voluntary Revocation Order to avoid the Department's continued investigation of his insurance related practices and/or activities. Mr. Sunderlage had been a licensed insurance producer since 1973 but is no longer able to effect insurance transactions in the state, without violating Illinois Insurance Code and facing felony charges.

Heath Thompson, South Elgin - Stipulation and Consent Order issued effective May 15, 2012. The Order, which includes a \$5,000.00 civil penalty and corrective orders, alleges that Mr. Thompson submitted an insurance document to an insurer containing a consumer's forged signature and submitted a change of address without the consumer's permission.

Ruby M. Toosevich, Lansing - Insurance producer license revoked effective July 26, 2012. Ms. Toosevich accepted the Voluntary Revocation Order to avoid the Department's continued investigation of her insurance related practices and/or activities. Ms. Toosevich had been a licensed insurance producer since 2011 but is no longer able to effect insurance transactions in the state, without violating Illinois Insurance Code and facing felony charges.

Kevin Ware, Evergreen Park - Stipulation and Consent Order issued effective May 15, 2012. The Order alleged that Mr. Ware sold an insurance policy and received commission on the sale while not properly licensed and failed to notify the Department of his address change as required by statute. The Order included a \$1,500 civil penalty that Mr. Ware failed to pay. The Department will pursue revocation of his license.

More Information

The Department's mission 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 Illinois Department of Insurance assists consumers with all insurance complaints, including health, auto, life, and homeowner. Consumers in need of information or assistance should visit the Department's web site at insurance.illinois.gov or call our toll-free hotline at (866) 445-5364.

For individual disciplinary orders, please visit insurance.illinois.gov/orders.

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