

State of Idaho
DEPARTMENT OF INSURANCE

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Farmers Insurance agent loses license for dishonest practices

BOISE ID – The Idaho Department of Insurance has issued a stipulation and final order revoking the insurance producer license of Alan C. Rzeszutko, Pocatello, after an audit by Farmers Insurance revealed Rzeszutko failed to collect and remit premium payments corresponding to advance credits of \$9,199.

In the stipulation, Rzeszutko admitted that between February 2014 and May 2015 he entered five payments into Farmers' computer system and falsely applied them to his personal auto policy using an incorrect bank account number to keep the policy in force. He also admitted that between October 2014 and July 2015, he diverted client premium payments for his own use. Such practices are violations of Idaho Code.

Idaho agents are required by law to maintain accounts for premium payments separate from their personal accounts. In addition, Farmers Insurance requires its agents to deposit premium payments into a "co-banking" account which is owned by the company. Agents have access to the account only for deposits.

Misappropriation of funds and use of dishonest practices are cause for license revocation and imposition of an administrative penalty. Rzeszutko may not reapply for a license for at least five years and must pay a \$5,000 penalty to the Department.

The order may be viewed in its entirety on the Department [website](#).

About the Department of Insurance

The Idaho Department of Insurance has been regulating the business of insurance in Idaho since 1901. The mission of the Department is to equitably, effectively and efficiently administer the Idaho Insurance Code and the International Fire Code. For more information, visit www.doi.idaho.gov.

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