

STATE OF INDIANA ) BEFORE THE INDIANA  
 ) SS:  
COUNTY OF MARION ) COMMISSIONER OF INSURANCE

CAUSE NUMBER: 11062-CO12-0314-006

IN THE MATTER OF: )

Disaster Adjusting and Appraisal Services LLC )  
10866 McKinley Hwy )  
Osceola, IN 46561 )

William ("Bill") J. Watterud )  
1410 Navajo St. )  
Elkhart, IN 46516 )  
License No.: 749495 (Probationary Status) )

James E. Kalka, Jr. )  
113 North Oak Street )  
Osceola, IN 46561 )  
License No.: 391220 )

Brian Burgess )  
7303 Poplar Dr. )  
Charlestown, IN 47111 )

Type of Action: Enforcement )

**FILED**

APR 10 2012

STATE OF INDIANA  
DEPT. OF INSURANCE

**FINAL ORDER AND APPROVAL**

The Indiana Department of Insurance ("Department"), James E. Kalka, Jr., and William J. Watterud, individually and on behalf of Disaster Adjusting and Appraisal Services, LLC, ("Respondents"), signed an Agreed Entry which purports to resolve all issues involved in the above captioned action regarding the advertising and marketing materials used by Respondents as Certified Public Adjusters, and which has been submitted to the Commissioner of the Department ("Commissioner") for approval.


The Commissioner, after reviewing the Agreed Entry, finds it has been entered into fairly and without fraud, duress or undue influence, and is fair and equitable between the parties. The

Commissioner hereby incorporates the Agreed Entry as if fully set forth herein, and approves and adopts in full the Agreed Entry as a resolution of this matter.

IT IS THEREFORE ORDERED by the Commissioner of Insurance:

1. Respondent Watterud shall pay a civil penalty in the amount of One Thousand Five Hundred and 00/100 dollars (\$1500.00), within thirty (30) days of the date of this Order.
2. Respondent Watterud's license probation shall be extended for one year, to and including April 7, 2013.
3. Respondent Watterud, individually and on behalf of Disaster Adjusting, shall maintain a company website that is neither false nor misleading, and accurately describes the company's principles, agents, and employees.
4. Respondents shall adhere to the terms and conditions of the Order staying the Department's Emergency Cease and Desist Order.
5. The Department shall accept Respondents' compliance with the terms of this Final Order as full resolution of this matter.

ALL OF WHICH IS ORDERED this 10<sup>th</sup> day of April, 2012.

  
Stephen W. Robertson, Commissioner  
Indiana Department of Insurance

Distribution:

Adam H. Berry and  
Nikolas P. Mann

**INDIANA DEPARTMENT OF INSURANCE**  
311 West Washington Street, Suite 103  
Indianapolis, Indiana 46204-2787

Disaster Adjusting and Appraisal Services LLC  
10866 McKinley Hwy  
Osceola, IN 46561

William ("Bill") J. Watterud  
1410 Navajo St.  
Elkhart, IN 46516

James E. Kalka, Jr.  
113 North Oak Street  
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Brian Burgess  
7303 Poplar Dr.  
Charlestown, IN 47111

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STATE OF INDIANA  
DEPT. OF INSURANCE

This Agreed Entry is entered into by Adam H. Berry, attorney for and on behalf of the State of Indiana, Department of Insurance (“Department”), and Disaster Adjusting and Appraisal Services, LLC (“Disaster Adjusting”), William Watterud, and James Kalka (collectively “Respondents”), to resolve all matters in the administrative action commenced by the Department in Cause Number 11062-CO12-0314-006. This Agreed Entry is subject to the review and approval of Stephen W. Robertson, Commissioner for the Department.

WHEREAS, Respondents Watterud and Kalka are Certified Public Adjusters in the State of Indiana, holding license numbers 749495 and 391220, respectively; and

WHEREAS, Watterud owns and is President of Respondent Disaster Adjusting; and

WHEREAS, on or about March 2, 2012, tornados caused extensive damage to persons and property in communities throughout Southern Indiana, including the town of Henryville, located in Clark County; and

WHEREAS, on March 10, 2012, Respondent Brian Burgess presented Department Investigators David Cuthbert and Ronda Ankney a stack of advertisement flyers that included the following representations about Disaster Adjusting: (a) "LICENSED BY THE DEPARTMENT OF INSURANCE"; and (b) "Resident of Henryville"; and

WHEREAS, Disaster Adjusting is neither licensed by the Department nor a resident of Henryville; and

WHEREAS, Respondents were the subject of an Emergency Cease and Desist Order filed on March 15, 2012; and

WHEREAS, the Emergency Cease and Desist Order was stayed pursuant to certain conditions on March 19, 2012; and

WHEREAS, the Department and Respondents desire to resolve any further differences and settle the issues without the necessity of a hearing;


IT IS, THEREFORE, NOW AGREED by and between the parties as follows:

1. The Commissioner has jurisdiction over the subject matter and the Respondents in this administrative action.

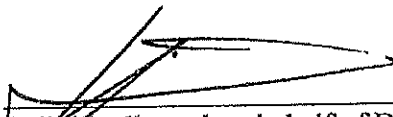
2. This Agreed Entry is executed voluntarily by the parties.
3. Respondents voluntarily and freely waive their right to a public hearing on this matter.
4. Respondents voluntarily and freely waive their right to petition for judicial review of this agreement and the Commissioner's Final Order.
5. Respondent Watterud agrees to pay a civil penalty in the amount of One Thousand Five Hundred and 00/100 dollars (\$1500.00), within thirty (30) days from the date the Commissioner signs the Final Order in this matter.
6. Respondent Watterud further agrees that his license probation will be extended for an additional year, to and including April 7, 2013.
7. Respondent Watterud, individually and on behalf of Disaster Adjusting, agrees to maintain a company website that is neither false nor misleading, and accurately describes the company's principals, agents, and employees.
8. Respondents agree to adhere to the terms and conditions of the Order staying the Department's Emergency Cease and Desist Order.
9. The Department agrees to accept Respondents' compliance with the terms of this Agreed Entry as full resolution of this matter.
10. Respondents are aware that their failure to comply with any term of this agreement will result in the matter being set for hearing.
11. Should this Agreed Entry not be accepted by the Commissioner, it is agreed that presentation to and consideration of this Agreed Entry by the Commissioner shall not unfairly or illegally prejudice the Commissioner from further participation in or resolution of these proceedings.

12. Respondents have carefully read this agreement and fully understand and accept its terms.
13. Respondents Disaster Adjusting and Watterud have been represented by counsel, Robert Markette, and Respondent Kalka has been represented by counsel, Don Wertheimer, throughout this proceeding.

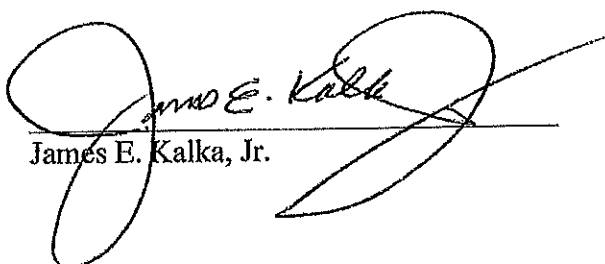
4.9.2012  
Date Signed

  
Adam H. Berry, Enforcement Attorney  
Indiana Dept. of Insurance

03-29-12  
Date Signed

  
Individually and on behalf of Disaster  
Adjusting & Appraisal Services, LLC  
William ("Bill") J. Watterud

3/29/12  
Date Signed

  
James E. Kalka, Jr.

STATE OF Indiana )  
COUNTY OF St Joe ) SS:

Before me a Notary Public for St Joseph County, State of Indiana, personally appeared William J. Watterud, individually and on behalf of Disaster Adjusting and Appraisal Services, LLC, as well as James E. Kalka, Jr., and being first duly sworn by me upon his oath, states that the facts alleged in the foregoing instrument are true. Signed and sealed this 29th day of March 2012.

  
Signature

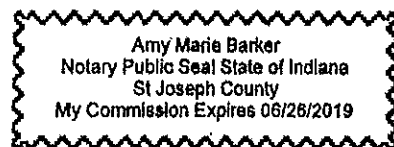
Amy Marie Barker  
Printed

My Commission expires:

6/26/2019

County of Residence:

St Joseph





STATE OF INDIANA ) BEFORE THE INDIANA  
 ) SS:  
COUNTY OF MARION ) COMMISSIONER OF INSURANCE

CAUSE NUMBER: 11062-CO12-0314-006

IN THE MATTER OF: )

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License No.: 391220 )

)  
Brian Burgess )  
7303 Poplar Dr. )  
Charlestown, IN 47111 )

)  
Type of Action: Enforcement )

**FILED**

MAR 15 2012

STATE OF INDIANA  
DEPT. OF INSURANCE

**ORDER GRANTING**

**EMERGENCY CEASE AND DESIST ORDER**

The Commissioner of the Indiana Department of Insurance ("Commissioner"), having reviewed the Enforcement Division's Motion for Emergency Cease and Desist Order, and being otherwise duly advised, now finds as follows:

**FINDINGS OF FACT**

1. The Department of Insurance ("Department") is authorized to regulate the practice of insurers in Indiana under Indiana Code 27-1 et seq.

2. Respondent Disaster Adjusting and Appraisal Services ("Disaster Adjusting") is not now, nor has it ever been, certified, authorized, licensed or registered by the Department to transact any kind of insurance business or public adjuster services whatsoever.

3. Respondent Brian Burgess held himself out as an agent or representative of Disaster Adjusting to Department Investigators David Cuthbert and Ronda Ankney.

4. Burgess is not now, nor has he ever been, certified, authorized, licensed or registered by the Department to transact any kind of insurance business or public adjuster services whatsoever.

5. Burgess provided Department Investigators David Cuthbert and Ronda Ankney advertising material for Disaster Adjusting that included the following representations:

"LICENSED BY THE DEPARTMENT OF INSURANCE," and

"Resident of Henryville";

(See Exhibit A, Attached to this Order).

6. Respondent Bill Watterud holds a resident certificate of authority to act as a Public Adjuster (License No. 749495 – Probationary Status), and he is the owner of, and registered agent for, Disaster Adjusting.

7. Respondent James Kalka holds a resident certificate of authority to act as a Public Adjuster (License No. 391220), and he is an agent of Disaster Adjusting despite not having renewed his surety bond as required by Ind. Code § 27-1-27-4.

8. Neither Watterud nor Kalka are named or referenced on the Disaster Adjusting advertisement.

9. Upon information and belief, Burgess, Watterud, Kalka, and Disaster Adjusting are not "residents" of Henryville, Indiana.

### CONCLUSIONS OF LAW

10. Respondents Watterud and Kalka are certified public adjusters and subject to the jurisdiction of the Department.

11. Respondents Burgess and Disaster Adjusting are acting as "public adjusters" as defined at IC 27-1-27-1 because each is advertising, soliciting business, and/or holding themselves out to the public as adjusters of claims.

12. An emergency exists in that Respondent Disaster Adjusting and its agents continue to act as Public Adjusters in Indiana without being properly certified by the Department.

13. An emergency exists in that Respondent Disaster Adjusting and its agents continue to solicit public adjuster business in a false or misleading manner.

14. Respondent Disaster Adjusting and its agents have disseminated or caused to be disseminated false and misleading advertising in violation of Ind. Code § 27-1-27-7(b)(1).

15. Respondent Kalka, as an employee of or independent contractor for Disaster Adjusting, is acting as a Certified Public Adjuster despite not having filed with the Commissioner the surety bond required by Ind. Code § 27-1-27-4.

16. In an emergency, the Commissioner may issue appropriate orders without notice or an evidentiary proceeding under Ind. Code § 4-21.5-4-2(a). Such an action is appropriate under these circumstances.

**ORDER**

It is, therefore, ORDERED, that Respondents must CEASE AND DESIST from (1) transacting or soliciting any insurance business in Indiana, (2) performing public adjuster services unless and until Disaster Adjusting obtains the required certificate of authority issued by the Commissioner and corresponding surety bond pursuant to Ind. Code § 27-1-27 et seq., (3) advertising their services in a false or misleading manner, or (4) otherwise violating in any way the insurance laws of Indiana.

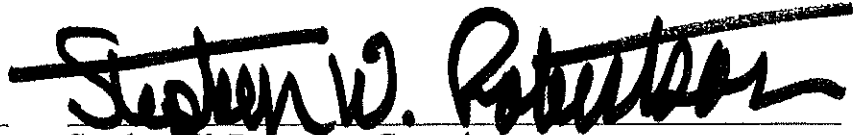
Pursuant to Ind. Code § 4-21.5-4-2, this Order remains effective for ninety (90) days commencing on the date this Order is issued.

Respondents are hereby notified of their right to a hearing concerning this Order as quickly as practicable under Ind. Code § 4-21.5-4-4.

INDIANA DEPARTMENT OF INSURANCE

Date: \_\_\_\_\_

3/15/12

  
Stephen W. Robertson, Commissioner  
Indiana Department of Insurance

Distribution to:

Disaster Adjusting & Appraisal Services  
Attn: Bill Watterud  
10866 McKinley Hwy  
Osceola, IN 46561

James E. Kalka, Jr.  
113 North Oak Street  
Osceola, IN 46561

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Brian Burgess  
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Charlestown, IN 47111

Robert W. Markette, Jr.  
Gilliland & Markette, LLP  
3905 Vincennes Rd., Suite 204  
Indianapolis, IN 46268

Adam H. Berry  
Enforcement Attorney, IDOI  
311 W. Washington St., Suite 103  
Indianapolis, IN 46204

*Licensed Adjusters for the Insured!*

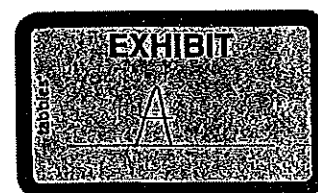
## Storm Damage Victims Potential Insurance Coverage Worksheet

### HOW MUCH COVERAGE DO YOU HAVE?

<input type="checkbox"/> Dwelling	\$ _____
<input type="checkbox"/> Dwelling Extensions – 20%, 25%, 50%	\$ _____
<input type="checkbox"/> Dwelling 10% Outbuilding/Detachments	\$ _____
* Detached Porches	
* Detached Decks	
* Detached Sidewalks	
* Detached Driveways	
* Detached Building, Sheds	
* Detached Fences	
<input type="checkbox"/> Dwelling 5% Debris Removal	\$ _____
<input type="checkbox"/> 5% Outbuilding Demolition	\$ _____
<input type="checkbox"/> 5% Landscaping	\$ _____
<input type="checkbox"/> 10% Ordinance and Law	\$ _____
<input type="checkbox"/> Personal Property/Contents	\$ _____
<input type="checkbox"/> 5% Contents, Debris Removal	\$ _____
<input type="checkbox"/> Mold Coverage	\$ _____
<input type="checkbox"/> Fire Department Charge	\$ _____
<input type="checkbox"/> Additional Living Expense/Loss of Use	\$ _____
<input type="checkbox"/> Business Personal Property	\$ _____
<input type="checkbox"/> Computer Equipment Limitation	\$ _____
<input type="checkbox"/> Antique/Collectible Limitation	\$ _____
<input type="checkbox"/> Jewelry Limitation	\$ _____
<input type="checkbox"/> Electronic Data Processing Equipment Limitation	\$ _____
<input type="checkbox"/> Sports Card Limitation	\$ _____
<input type="checkbox"/> Property of Others Limitations	\$ _____
<input type="checkbox"/> Mortgage Company Endorsement That May Pay Monthly Mortgage Payment	\$ _____
<input type="checkbox"/> Other	\$ _____
<b>TOTAL POTENTIAL COVERAGE</b>	\$ _____

*Resident of Henryville*

**For More Information Call 888.675.0911 or Visit  
[www.disasteradjusting.com](http://www.disasteradjusting.com)**



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Brian Burgess )  
7303 Poplar Dr. )  
Charlestown, IN 47111 )

Type of Action: Enforcement )

**FILED**

MAR 15 2012

STATE OF INDIANA  
DEPT. OF INSURANCE

**MOTION FOR EMERGENCY CEASE AND DESIST ORDER**

The Enforcement Division of the Indiana Department of Insurance ("Department"), pursuant to Ind. Code § 4-21.5-4 and Ind. Code § 27-1-27 et seq., files its Motion for an Emergency Cease and Desist Order against Disaster Adjusting and Appraisal Services LLC ("Disaster Adjusting"), William ("Bill") J. Watterud, James E. Kalka, Jr., and Brian Burgess (collectively "Respondents") and states:

1. On March 2, 2012, tornados caused extensive damage to persons and property in communities throughout Southern Indiana, including the town of Henryville, located in Clark County.

2. On March 10, 2012, Department Investigators David Cuthbert and Ronda Ankney were stationed at a "One Stop" Disaster Center, located on the Ivy Tech campus in Sellersburg, Indiana. Investigators Cuthbert and Ankney assisted disaster victims with insurance related matters on behalf of the State and the Department.

3. While working at the Disaster Center, Respondent Brian Burgess presented Investigators Cuthbert and Ankney a stack of advertisements for Respondent Disaster Adjusting.

4. Burgess asked Investigators Cuthbert and Ankney if he could leave the Disaster Adjusting advertisements with them and stated, "I just want people to know that we're here." Investigators Cuthbert and Ankney rejected Burgess' request, consistent with Department policy. However, Investigators Cuthbert and Ankney retained one of the advertisements.

5. The advertisement includes the following representation about Disaster Adjusting: "LICENSED BY THE DEPARTMENT OF INSURANCE." There is also a handwritten statement on the advertisement that Disaster Adjusting is a "Resident of Henryville." (See Ex. A).

6. Respondent William Watterud is the owner of, and registered agent for, Disaster Adjusting. Watterud holds a certificate of authority to act as a Public Adjuster (License No. 749495). However, Watterud is currently on probationary status pursuant to Commissioner Stephen Robertson's Order dated April 7, 2011 (Cause No. 10926-CO12-0109-002).

7. Respondent James Kalka is an agent of Disaster Adjusting. Kalka holds a certificate of authority to act as a Public Adjuster (License No. 391220). However, as of today's date, Kalka has not filed the surety bond required by Ind. Code § 27-1-27-4(e).

8. Burgess does not hold a certificate of authority, producer license, or any other authorization from the Department to engage in the business of insurance in Indiana.

9. Disaster Adjusting does not hold a certificate of authority, producer license, or any other authorization from the Department to engage in the business of insurance in Indiana.

10. Neither Watterud nor Kalka are named or referenced on the Disaster Adjusting advertisement.

11. Upon information and belief, Burgess, Watterud, Kalka, and Disaster Adjusting are not "residents" of Henryville, Indiana, as represented on the advertisement.

12. The advertisement provided to Investigators Cuthbert and Ankney is false and misleading in violation of Ind. Code 27-1-27-7(b)(1), specifically Disaster Adjusting is neither "Licensed by the Department of Insurance" nor is it a "Resident of Henryville."

13. An emergency exists in that Disaster Adjusting, its agents or representatives continue to advertise services to disaster victims in a false and misleading manner, and Burgess, on behalf of Disaster Adjusting, is performing public adjuster services without a certificate of authority in violation of Ind. Code § 27-1-27-2.

14. Under Ind. Code § 4-21.5-4-2(a)(1), the Commissioner may, in an emergency, issue orders without notice or an evidentiary proceeding. Upon issuance of an emergency order, Respondents may request a hearing as quickly as practicable under Indiana Code § 4-21.5-4-4.

15. Respondents should be required to immediately cease and desist from: (1) transacting or soliciting any insurance business in Indiana, (2) performing public adjuster



services without the required certificate of authority issued by the Commissioner and corresponding surety bond pursuant to Ind. Code § 27-1-27 et seq., (3) advertising their services in a false or misleading manner, or (4) otherwise violating in any way the insurance laws of Indiana.

16. WHEREFORE, the Enforcement Division requests that the Commissioner issue an Emergency Cease and Desist Order against Respondents under Ind. Code § 4-21.5-4-2, and for all other necessary and proper relief.



---

Adam H. Berry, #28215-49

Enforcement Attorney

Indiana Dept. of Insurance, Enforcement Division

Indiana Department of Insurance  
311 West Washington Street, Suite 103  
Indianapolis, IN 46204-2787  
(317) 234-5888-telephone  
(317) 232-5251-facsimile

**CERTIFICATE OF SERVICE**

I certify that a copy of the foregoing has been served upon the above-captioned Respondents by United States first class mail, postage prepaid, this 15<sup>th</sup> day of March 2012.



Adam H. Berry, #28215-49  
Enforcement Attorney  
Indiana Dept. of Insurance, Enforcement Division

Disaster Adjusting & Appraisal Services  
Attn: Bill Watterud  
10866 McKinley Hwy  
Osceola, IN 46561

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* Detached Sidewalks	
* Detached Driveways	
* Detached Building, Sheds	
* Detached Fences	
<input type="checkbox"/> Dwelling 5% Debris Removal	\$ _____
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<input type="checkbox"/> 5% Landscaping	\$ _____
<input type="checkbox"/> 10% Ordinance and Law	\$ _____
<input type="checkbox"/> Personal Property/Contents	\$ _____
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<input type="checkbox"/> Sports Card Limitation	\$ _____
<input type="checkbox"/> Property of Others Limitations	\$ _____
<input type="checkbox"/> Mortgage Company Endorsement That May Pay Monthly Mortgage Payment	\$ _____
<input type="checkbox"/> Other	\$ _____
<b>TOTAL POTENTIAL COVERAGE</b>	\$ _____

*Resident of Henryville*

**For More Information Call 888.675.0911 or Visit  
[www.disasteradjusting.com](http://www.disasteradjusting.com)**

