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**Ohio Asks \$1,387,410  
From Officers of ILICA**



# Miller, Gombos Paid \$50,000, Suit Charges

By FORREST ALLEN

State Insurance Supt. William R. Morris today filed a \$1,387,410 damage suit against officers and directors of Investment Life Insurance Co. of America.

Among the nine specific charges of negligence and abuse of corporate powers were payments of \$50,000 in "finder's fees" to publisher Zoltan Gombos and State Sen. Ray T. Miller Jr.

Largest single claim was an item of \$480,000 ILICA agreed to pay officers of a Connecticut fraternal insurance company to persuade them to come into the Cleveland insurance firm.

Morris named 19 men as defendants, including the president of ILICA, Robert A. Schenkelberg, 2114 Elandon Dr., Cleveland Heights, and Stephen Segedy, 11720 Edgewater Dr., Lakewood, president of the American Life Insurance Assn., which was merged with ILICA.

Other defendants were directors or officers of ILICA. Among specific items charged against them was that in 1962 they authorized \$50,000 in bonuses "causing the enrichment of some of the officers and members of the board."

ANOTHER ITEM charged was "the invasion of corporate funds of ILICA for the payment of interest on personal indebtedness of Seg-

edy, Miller, Schenkelberg, Ralph E. Tomlinson and Joseph L. Osberger."

This amounted to \$10,000, the petition said.

The directors are charged with spending \$277,000 of the insurance company's money to buy stock in the Port Clinton National Bank, which "was unauthorized under the laws of Ohio pertaining to insurance companies."

Morris claimed \$34,500 for preferential treatment given certain officers and directors in the sale of ILICA stock.

HE HELD THEM responsible also for the spending of \$106,000 of the insurance company's money in trying to organize a holding com-

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