

BEFORE THE IOWA INSURANCE COMMISSIONER

IN THE MATTER OF)	Division Case No. 113479
)	
FRANK P. TARASI,)	ORDER DENYING LICENSE
NPN 15884821,)	REISSUANCE AFTER
DOB 05/03/XXXX,)	SUSPENSION
)	
APPLICANT.)	

Pursuant to Iowa Code Chapter 522B—Licensing of Insurance Producers and Iowa Administrative Code rule 191—10.10, this matter comes before the Commissioner of Insurance upon an application by Frank P. Tarasi for the reissuance of his Iowa insurance producer license.

I. PARTIES AND JURISDICTION

1. The Commissioner of Insurance, Douglas Ommen, directly and through his designees, administers and enforces Iowa Code chapter 522B—Licensing of Insurance Producers and Iowa Administrative Code Chapter 10—Insurance Producer Licenses and Limited Licenses, pursuant to Iowa Code § 505.8.
2. Frank P. Tarasi (“Applicant”) is an individual with a last-known residence address of 2917 Caspian Road, Hiawatha, Iowa 52233.
3. Applicant filed an application with the Iowa Insurance Division (“Division”) for reissuance of his suspended Iowa insurance producer license on October 21, 2022.
4. The Commissioner is authorized to issue this Order pursuant to Iowa Administrative Code rule 191—10.10.

II. FINDINGS OF FACT

5. Applicant was licensed in the state of Iowa as a resident insurance producer from August 13, 2010 until his license expired on May 31, 2022. He was licensed under National Producer Number 15884821.

6. Applicant's license was suspended by a consent order entered into between the Applicant and the Division and issued on July 11, 2022 ("Consent Order").

7. Per the terms of the Consent Order, Applicant's resident insurance producer license was suspended for 90 days, commencing July 11, 2022, and he was ordered to pay a civil penalty in the amount of \$6,000.00 within 30 days.

8. On August 16, 2022, the Division received Applicant's payment of the ordered civil penalty.

9. The suspension period has now passed.

10. Applicant submitted an Iowa insurance producer application for reissuance after a disciplinary action ("Reissuance Application") dated October 21, 2022.

11. On the Reissuance Application, Applicant answered "no" to the following question:

Since revocation, suspension, or forfeiture, have you been charged or convicted of a misdemeanor, felony, or military offense, had a judgment withheld or deferred, or are you currently a party to an administrative proceeding, in this or any other state, which has not been previously reported to this insurance department?

12. The Division's Licensing Bureau investigated Applicant's criminal background and found that on or about August 30, 2022 (after his suspension commenced), Applicant was charged with violating Iowa Code § 507E.3(2)(c), a Class D felony. (Attachment A).

13. On October 28, 2022, in case number FECR146308 in the Iowa District Court for Linn County, Iowa, Applicant plead guilty to the offense of Fraudulent Submission to Insurer — Fraudulent Submission of Insurance Application with Intent to Defraud Insurer, in violation of Iowa Code § 507E.3(2)(c), a felony. Applicant requested, and was granted, a deferred judgment. Applicant was also placed on probation for a period of one (1) year, ordered to pay a civil penalty in the amount of \$1,025.00 plus 15% crime services surcharge, and ordered to pay applicable costs. (Attachment B).

14. On December 2, 2022, Applicant submitted a Uniform License Application through the National Insurance Producer Registry (“NIPR”).

15. Applicant answered “no” to background question #2 on the Uniform License Application which asks the following: “Have you ever been named or involved as a party to an administrative proceeding, including FINRA sanction or arbitration proceeding regarding any professional or occupational license or registration?”

16. After reviewing the Reissuance Application, Uniform License Application, and documents relating to Applicant’s criminal record, the Division’s Licensing Bureau recommended that Applicant’s resident insurance producer license not be reissued. (Attachment C).

III. CONCLUSIONS OF LAW

17. Iowa Administrative Code rule 191—10.10(2)(a) states that a producer whose license has been suspended by order and expired may apply to the Commissioner for reissuance of his or her license by filing an application for reissuance. The applicant shall initiate the proceedings for reissuance by filing an application for reissuance with the Commissioner.

18. Iowa Administrative Code rule 191—10.10(2)(b) states that applications for reissuance must allege facts sufficient to enable the Commissioner to establish that the basis of the suspension no longer exists. Additionally, the rule requires the Applicant to disclose whether they have engaged in conduct that is cause for a licensing action under Iowa Code §§ 507B.4 or 522B.11(1) that was not included in the suspension order.

19. Applicant has filed the Reissuance Application and Uniform License Application required by Iowa Administrative Code rules 191—10.10(2)(b) and 10.4.

20. During Applicant's suspension period, Applicant was charged with Insurance Fraud in Linn County, Iowa.

21. On October 28, 2022, Applicant was convicted of a felony. Having been convicted of a felony is cause for a licensing action under Iowa Code § 522B.11(1). The felony conviction occurred over three months after the consent order suspending Applicant's license was issued.

22. Applicant provided incorrect, misleading, incomplete, or materially untrue information on his Reissuance Application when he said he had not been charged with a felony and when he stated on his Uniform License Application that he was never named or involved in an administrative proceeding.

23. Applicant is on probation until at least October 28, 2023, and it is conditioned on Applicant committing no further violations of law.

24. Although Applicant has complied with the terms of the consent order and paid the ordered civil penalty, he has failed to meet his burden of establishing that the basis of Applicant's suspension no longer exists. Furthermore, Applicant has engaged in additional conduct that is cause for a licensing action under Iowa Code § 522B.11(1). It is not in the public interest to grant Applicant's request for license reissuance.

IV. ORDER

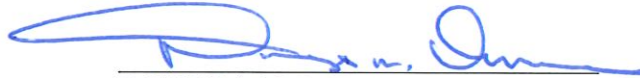
WHEREFORE, IT IS ORDERED pursuant to the powers granted to the Commissioner of Insurance:

- A. Applicant's Reissuance Application is denied; and
- B. Applicant's insurance producer license shall remain inactive and Applicant shall remain prohibited from selling, soliciting, or negotiating insurance in this state, offering to the public advice, counsel, or services with regard to insurance, or

otherwise transacting in the business of insurance in this state until and unless licensed by the Division.

IT IS FURTHER ORDERED that, pursuant to Iowa Code § 505.8(10), the one hundred-dollar (\$100) payment Applicant submitted will be returned. Upon the completion of Applicant's probation, he may resubmit the appropriate application and administrative fee for licensure to the Division.

SO ORDERED on the 20th day of December, 2022.



DOUGLAS M. OMMEN
Iowa Insurance Commissioner

Respectfully submitted,

/s/ Johanna Nagel

Johanna Nagel
Iowa Insurance Division
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Des Moines, Iowa 50315
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johanna.nagel@iid.iowa.gov
ATTORNEY FOR THE DIVISION

Copies to:

Frank Tarasi
2917 Caspian Rd
Hiawatha, IA 52233
frank.tarasi@gmail.com
APPLICANT

CERTIFICATE OF SERVICE

The undersigned certifies that the foregoing instrument was served upon all parties to the above cause, or their attorney, at their respective addresses disclosed on the pleadings on December 21, 2022.

By: () First Class Mail () Personal Service
 Restricted certified mail, return receipt Email, by consent
() Certified mail, return receipt () _____

Signature: Brooke Hohn
Brooke Hohn

NOTICE OF PENALTIES FOR WILLFUL VIOLATION OF THIS ORDER

YOU ARE NOTIFIED that acting as an insurance producer, as defined in Iowa Code chapter 522B, in violation of this Order, is a felony under Iowa Code § 507A.10, subjecting you to punishment of imprisonment, jail, fines, or any combination of custody and fines.

YOU ARE ALSO NOTIFIED that if you violate this Order, you may be subject to administrative and civil penalties pursuant to Iowa Code § 522B.17(3). The Commissioner may petition the district court to hold a hearing to enforce the order as certified by the Commissioner. The district court may assess a civil penalty against you in an amount not less than three thousand dollars but not greater than ten thousand dollars for each violation, and may issue further orders as it deems appropriate.

IN THE IOWA DISTRICT COURT, IN AND FOR LINN COUNTY

STATE OF IOWA,

Plaintiff,

vs.

Frank Paul Tarasi

Defendant,

FECR146308

TRIAL INFORMATION

COMES NOW NICHOLAS G. MAYBANKS AS PROSECUTING ATTORNEY AND IN THE NAME AND BY THE AUTHORITY OF THE STATE OF IOWA ACCUSES FRANK PAUL TARASI OF THE CRIME OF:

COUNT ONE

FRAUDULENT SUBMISSION TO INSURER - FRAUDULENT SUBMISSION OF INSURANCE APPLICATION WITH INTENT TO DEFRAUD INSURER

COMMITTED AS FOLLOWS:

THAT THE SAID FRANK PAUL TARASI ON OR ABOUT **October 11, 2021**, IN THE COUNTY OF LINN AND STATE OF IOWA, DID UNLAWFULLY AND WILLFULLY:

present or cause to be presented to an insurer, any written document, oral statement or computer-generated document as part of or in support of an application for insurance coverage, knowing that such document or statement contains any false information concerning a material fact, with the intent to defraud an insurer, at 2917 Caspian Road, Hiawatha, Linn County, Iowa

IN VIOLATION OF SECTION **507E.3(2)(c)** IOWA CRIMINAL CODE A(N) **Class D Felony**.

A TRUE INFORMATION
NICHOLAS G. MAYBANKS



Assistant Linn County Attorney
Linn County Courthouse
51 Third Avenue Bridge
Cedar Rapids, IA 52401
(319) 892-6350
Fax: (319) 892-6389
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NAME OF WITNESSES

RYAN BEATY

DARRYL CHAPMAN

STEPHANIE LAMPE

CHARLES WILLIAMS



State of Iowa Courts

Type: Approval of Trial Information

Case Number **Case Title**
FECR146308 STATE OF IOWA V TARASI, FRANK PAUL

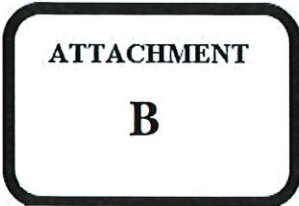
On this date, I have reviewed the attached Trial Information and the accompanying Minutes of Testimony and find that they contain evidence which, if unexplained, is sufficient to warrant a conviction by a trial jury. Being satisfied from the showing made that the case should be prosecuted, I approve the Trial Information.

Release conditions are set by separate Order of the Court.

So Ordered

A handwritten signature in cursive script, appearing to read "Fae Hoover Grinde".

Fae Hoover Grinde, District Court Judge,
Sixth Judicial District of Iowa



IN THE IOWA DISTRICT COURT IN AND FOR LINN COUNTY

STATE OF IOWA,)	
)	
Plaintiff,)	No. FECR146308
)	
vs.)	
)	
FRANK PAUL TARASI,)	ACCEPTANCE OF PLEA/ ORDER FOR DEFERRED
)	JUDGMENT
Defendant.)	

The Defendant this date presents a written waiver of rights and plea of guilty to **the offense of Fraudulent Submission to Insurer – Fraudulent Submission of Insurance Application with Intent to Defraud Insurer, in violation of Iowa Code Section 507E.3(2)(c), a Class D felony**. The Defendant is represented by Attorney **John Jacobsen**, and the State of Iowa is represented by Assistant County Attorney **Rena Schulte**.

The Court specifically finds that the written plea is voluntarily entered with an understanding of the charge, a knowledge of the criminal consequences and the constitutional rights waived by said plea; that the Minutes of Testimony provide a factual basis supporting the charge, and the Defendant’s written plea of guilty is hereby accepted and entered of record.

The Defendant waived the right to a delay before sentencing, the right to file a Motion in Arrest of Judgment, the right to have a presentence report prepared and requested immediate sentencing. The Court finds the Defendant intelligently, knowingly and voluntarily waived the right to a delay before sentencing, the right to file a Motion in Arrest of Judgment, and the right to have a presentence report prepared.

The Defendant requests and consents to a deferral of judgment by the Court and the placing of the Defendant on probation under such terms and conditions as the Court may require. A search of Defendant’s deferred eligibility has been conducted, and Defendant is eligible for a deferred sentence.

THEREFORE, pursuant to Section 907.3(1) and 901.5 of the Iowa Corrections Code, pronouncement of judgment is hereby deferred for a period of **one (1) year**, and the Defendant is placed on unsupervised probation for a period of one (1) year during good behavior and subject to the condition that the Defendant commit no further violations of the law, simple misdemeanor traffic offenses excepted.

Pursuant to Iowa Code Section 901.5(8A), Defendant is ORDERED to submit to a DNA profile, upon request, if Defendant has not already done so.

It is the permanent restitution order of the Court that Defendant shall pay a civil penalty in the amount of **\$1,025.00** plus a 15 percent crime services surcharge. These amounts constitute Category A restitution under Iowa law.

The Defendant also is ordered to pay court costs and court-appointed attorney fees, if applicable. These amounts constitute Category B restitution under Iowa law. The Defendant may request a determination of his reasonable ability to pay the full amount of Category B restitution. If the Defendant wishes to request a determination of reasonable ability to pay Category B restitution from the Court, he shall file a Request for Reasonable Ability to Pay Determination of Category B Restitution and Financial Affidavit in Support of Request for Reasonable Ability to Pay Determination Form within 30 days of today's date. Failure to timely request a determination waives the Defendant's right to challenge his ability to pay Category B restitution in full except as allowed under Iowa Code Section 910.7.

The Defendant shall pay victim pecuniary damages, if any, as set out in the Statement of Pecuniary Damages previously filed or as subsequently filed or amended by the State within 30 days from today's date. If no objection is on file within 10 days thereafter, the Statement shall be adopted by the Court.

The Court finds the Defendant is unable to make full payment of the obligations due today. The financial obligations imposed by this order, with the exception of the enrollment fee, shall be paid at the rate of **\$50.00** per month commencing **November 29, 2022**, and payable on the **29th day of each month** thereafter until all sums due are paid in full.

The reasons for deferring judgment in this case are: The agreement of the parties; the facts and circumstances surrounding this offense; to hold the Defendant accountable; to protect the public; and the best means to offer this Defendant maximum opportunity for rehabilitation.

The clerk shall report this deferment of judgment and sentence as provided in the Code of Iowa.

Defendant's appearance bond, if any, is exonerated.

Clerk to notify.



State of Iowa Courts

Case Number
FECR146308
Type:

Case Title
STATE OF IOWA V TARASI, FRANK PAUL
Order of Disposition

So Ordered

A handwritten signature in black ink, appearing to read "Ian K. Thornhill".

Ian K. Thornhill, District Court Judge,
Sixth Judicial District of Iowa

Electronically signed on 2022-10-28 13:58:44



STATE OF IOWA

KIM REYNOLDS
GOVERNOR

DOUG OMMEN
COMMISSIONER OF INSURANCE

ADAM GREGG
LT. GOVERNOR

December 7, 2022

RE: Recommendation to Deny a Resident Producer License Reissuance After Disciplinary Action

Producer: Frank Tarasi

NPN: 15884821

Please be advised that the Iowa Insurance Division's Product and Producer Licensing Bureau ("Licensing Bureau") has received an application for reissuance following a disciplinary action for Frank Tarasi. The Licensing Bureau has reviewed the application for reinstatement, NAIC Uniform License Application, and performed a background check. The Licensing Bureau recommends that Mr. Tarasi's application be denied. The Licensing Bureau's decision is based on but not limited to the following:

1. On or around 10/28/2022, Tarasi was found guilty of Fraudulent Submission to Insurer – Fraudulent Submission of Insurance Application with Intent to Defraud Insurer, a felony, in violation of Iowa Code § 507E.3(2)(c). Tarasi was sentenced to a one-year deferred judgment, a one-year unsupervised probation, and a civil penalty in the amount of \$1,025.00. To date, Tarasi is still serving his probation term.
2. Tarasi provided incorrect, misleading, incomplete, or materially untrue information on his license application. On 12/2/2022, Tarasi answered "No" to background question #2 on the NAIC Uniform License Application which asks "Have you ever been named or involved as a party in an administrative proceeding, including FINRA sanction or arbitration proceeding regarding any professional or occupational license or registration?" "Involved" means having a license censured, suspended, revoked, canceled, terminated; or, being assessed a fine, a cease and desist order, a prohibition order, a compliance order, placed on probation, sanctioned or surrendering a license to resolve an administrative action. "Involved" also means being named as a party to an administrative or arbitration proceeding, which is related to a professional or occupational license, or registration. "Involved" also means having a license, or registration application denied or the act of withdrawing an application to avoid a denial. INCLUDE Any business so named because of your actions in your capacity as an owner, partner, officer or director, or member or manager of a Limited Liability Company. You may EXCLUDE terminations due solely to noncompliance with continuing education requirements or failure to pay a renewal fee."
3. On or about 07/11/2022, the Iowa Insurance Division issued an Order and Consent to Order which suspended Tarasi's license for 90 days and ordered him to pay a civil penalty of \$6,000.00

for submitting false statements to Encova Insurance Company, having a consumer sign an incomplete application and not verifying all facts listed in the application, created fictitious insurance documents to cover up his error, and sending those fictitious documents to FMBT.

4. On October 21, 2022, the Division received a Reinstatement/Reissuance After Disciplinary Action Application from Mr. Tarasi. This application asks “Since revocation, suspension, or forfeiture, have you been charged or convicted of a misdemeanor, felony or military offense, had a judgment withheld or deferred, or are you currently involved as a party to an administrative proceeding, in this or any other state, which has not been previously reported to this Insurance Department?” Mr. Tarasi incorrectly answered “No” to this question.

It is the Licensing Bureau’s recommendation that Mr. Tarasi’s felony conviction, failure to disclose the administrative action on his Iowa insurance producer license application, and failure to disclose the felony conviction in his Reinstatement or Reissuance After Disciplinary Action application violates Iowa Code § 522B.11 and that Mr. Tarasi does not have the character or competence to have his insurance producer license reissued. Additionally, Mr. Tarasi has not proven that the basis for suspension no longer exists and that it would be in the public interest to grant his application.

For the Product and Producer Licensing Bureau,

Jackie Russo