

## OFFICE OF ATTORNEY GENERAL

INSURANCE FRAUD SECTION  
TOM CORBETT • ATTORNEY GENERAL  
NEWSLETTER

## Attorney General Corbett announces prison term for former Bucks County insurance broker



A former Bucks County insurance broker has been sentenced to 11 ½ to 23 months in prison with seven years consecutive probation and ordered to pay more than \$1 million in restitution after pleading guilty to charges of defrauding four premium finance companies and the state's bureau of unemployment compensation.

Attorney General Tom Corbett said the defendant, Thomas Hurd, 50, 3831 Red Line Road, Philadelphia, was arrested on May 9, 2007, following an investigation by the Attorney General's Insurance Fraud Section. Hurd was a licensed insurance agent and president of the Thomas Hurd Insurance Agency and Hurd Insurance Associates located in Bensalem.

Hurd was charged with submitting false and misleading information to premium finance companies and secured financing for insurance policies that did not exist or for insurance policies that were obtained and pre-maturely cancelled. Finance companies typically require brokers to secure 25 percent of the total policy premium, from the insured, to protect their investment in the event of pre-mature cancellation. Premium finance companies then loan the remaining 75 percent of the total of a policy. Once Hurd had the full 100 percent of the money, he failed to either fully fund the policies causing premature cancellation, or funded the policies in full and then cancelled policies prior to expiration causing the premium return to be sent to him. Hurd also failed to forward clients' payments to the premium finance company, which caused premature cancellation of the policy. When this occurred, unused portions of the premium were returned to Hurd by the insurance company which Hurd then kept rather than returning the money to his clients.

The four premium finance companies that were affected by Hurd's illegal activity were: AI Credit, Jersey City, NJ; AMGRO, Worcester, MA; NCMIC, Cliev, IA and Bloss and Dillard, Huntingdon, WV. The four companies lost nearly \$1 million between 2001 and 2003.

Hurd also placed five of his employees on unemployment, to help offset his salary expenditures. During that time period, Hurd reduced their salaries and had the difference made up for in unemployment compensation.

Corbett said that Hurd was sentenced in Bucks County by Judge Cepparulo after pleading guilty to four counts of Theft by Failure to Make Required Disposition of Funds, one count of Insurance Fraud and one count of Theft by Deception. Hurd was immediately taken into custody following his sentencing and is currently incarcerated in the Bucks County Correctional Facility.

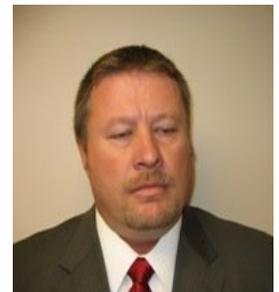


- Matasha Smith was arrested on November 14, 2007 in Philadelphia County. According to the Criminal Complaint, Smith was one of twelve defendants who filed a claim with Lancer Insurance Company reporting that they were passengers on a Wertz tour bus when it was struck by a car. It is alleged that the collision between the bus and the car was staged so that passengers could cash in on false injury claims. It is also alleged that other persons, including Smith, were not even on the bus, but also made false injury claims. Smith has been charged with two counts of Insurance Fraud (F3), one count of Theft by Deception (F3), one count of Criminal Attempt/Theft by Deception (F3) and one count of Criminal Conspiracy (F3).
- On November 28, 2007, Carol Bartolone and Steven Cercone were arrested in Allegheny County. According to the Criminal Complaint, Bartolone reported to the St. Paul Travelers Insurance Company that she suffered injuries when she tripped and fell on an apartment sidewalk. Cercone reiterated this version of the events to counsel retained by Bartolone. Bartolone's attorney demanded \$50,000 to settle the claim. It is alleged that Bartolone was actually injured when Cercone smashed her face with a car door. Bartolone and Cercone each have been charged with one count of Insurance Fraud (F3) and one count of Criminal Attempt/Theft by Deception (F3).
- Sheila Kendall was arrested on November 20, 2007 in Delaware County. According to the Criminal Complaint, Kendall submitted a claim to State Farm Insurance Company stating that she was struck by a vehicle while walking in a parking lot and sustained serious injuries. It is alleged that Kendall was not struck by the vehicle. Kendall has been charged with one count of Insurance Fraud (F3) and one count of Criminal



Attempt/Theft by Deception (F3).

- On November 28, 2007, Cary Glassman was arrested in Montgomery County. According to the Criminal Complaint, Glassman was involved in a motor vehicle accident on January 5, 2007. Glassman's vehicle was uninsured at the time. Glassman purchased an insurance policy from Progressive Insurance Company on January 8, 2007. It is alleged that Glassman, in an effort to get the damage to his vehicle covered, phoned in a claim to Progressive Insurance stating that he struck a deer on January 13, 2007. Glassman has been charged with one count of Insurance Fraud (F3) and one count of Criminal Attempt/Theft by Deception (F3).
- Raymond Husman was arrested on November 28, 2007 in Allegheny County. According to the Criminal Complaint, Husman's residence incurred a fire on September 6, 2005 and Allstate Insurance Company paid Husman monies for his contents claim, for additional living expenses and for the dwelling portion of the claim. Husman then raised a claim for additional monies for the contents portion of the claim, alleging that the replacement value of various items was higher than the amount of monies Allstate paid him. In connection with this portion of the claim, it is alleged that Husman altered the costs of various items listed on a receipt, increasing the actual cost of various items, prior to giving it to the Allstate Insurance Company. Husman has been charged with one count of Insurance Fraud (F3), one count of Criminal Attempt/Theft by Deception (F3), and one count of Forgery (M1).
- On November 1, 2007, Rebecca Ray was arrested in Montgomery County. According to the Criminal Complaint, Ray submitted two claims to Met Life Insurance Company under the name of her grandmother, Doris Katuran. In the first claim Ray stated that the vehicle, while parked at the Willow Grove Mall, had been struck by another vehicle and then claimed that the vehicle had been



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involved in an accident at another location and fled the scene. In the second claim, Ray stated that the vehicle had been stolen. It is alleged that both claims are false. According to the Criminal Complaint, in the first claim it was actually the vehicle that fled the scene after being involved in the first claim. In the second claim, the vehicle had not been stolen as reported, but rather Ray had given her boyfriend permission to use the vehicle and he was involved in an accident. Ray has been charged with two counts of Insurance Fraud (F3), one count of Criminal Attempt/Theft by Deception (F3) and one count of Theft by Deception (F3).

- Joe Kantorowski was arrested on November 16, 2007 in Westmoreland County. According to the Criminal Complaint, Kantorowski was involved in an automobile accident. At the time of the accident, Kantorowski's vehicle was uninsured as his policy with Geico Insurance Company was terminated for nonpayment of the premiums. Shortly following the accident, Kantorowski applied for Geico automobile insurance by telephone. It is alleged that Kantorowski subsequently called Geico and reported that the accident occurred after obtaining the insurance. Kantorowski has been charged with one count of Insurance Fraud (F3) and one count of Criminal Attempt/Theft by Deception (F3).

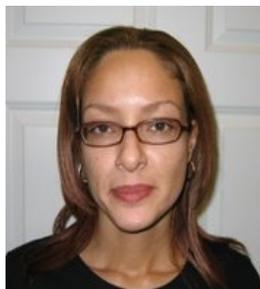


- On November 15, 2007, Brandon Hollenbach was arrested in Lycoming County. According to the Criminal Complaint, Hollenbach had an accident on April 22, 2007, while riding his Suzuki motorcycle which only had limited liability coverage. The following day, Hollenbach contacted his insurance agent and added collision coverage to his Progressive Insurance Company policy. Hollenbach then filed a claim with Progressive. It is alleged that the accident took place prior to Hollenbach adding the collision coverage in order to obtain the policy proceeds to cover the damage to his motorcycle. Hollenbach has been charged with one count of Insurance

Fraud (F3) and one count of Criminal Attempt/Theft by Deception (M1).

- Jeanetta Mabry was arrested on November 27, 2007, in Montgomery County. According to the Criminal Complaint, Mabry submitted a claim with Allstate Insurance Company for a stolen bracelet, providing a receipt from Helzberg Jewelers. It is alleged that Mabry prepared and submitted the false receipt for the bracelet and that she had never purchased any jewelry from Helzbrug Jewelers. Mabry has been charged with two counts of Insurance Fraud (F3) and one count of Criminal Attempt/Theft by Deception (M1).
- On November 26, 2007, Majed Samara and Mohammad Samara were arrested in Montgomery County. According to the Criminal Complaint, Majed Samara obtained an automobile policy with Progressive Insurance Company on June 14, 2007, for a Honda Civic. Majed's son, Mohammad, was listed as a named insured and driver of the vehicle. The following day, Mohammad submitted a claim for damages for the vehicle resulting from an accident. It is alleged that Majed represented to Progressive that the damages to the vehicle occurred after the policy was obtained. According to the Criminal Complaint, the accident occurred prior to the issuance of the policy. Majed and Mohammad Samara have each been charged with two counts of Insurance Fraud (F3), one count of Conspiracy (F3) and one count of Criminal Attempt/Theft by Deception (M1).

- Damerky Johnson was arrested on November 27, 2007 in Dauphin County. According to the Criminal Complaint, Johnson was involved in an accident on June 22, 2007 at 3:30 pm. Johnson reinstated her lapsed policy with Infinity Insurance Company on June 22, 2007 at 4:39 pm. On June 25, 2007, Johnson filed an accident claim allegedly stating that



her policy was reinstated at 4:00 pm on the 22<sup>nd</sup> and that the loss occurred an hour later. Johnson has been charged with one count of Insurance Fraud (F3) and one count of Criminal

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Attempt/Theft by Deception (F3).

- On November 28, 2007, Willie Haggins was arrested in Montgomery County. According to the Criminal Complaint, Haggins reported to American Independent Insurance Company that he was involved in an accident, claiming that he was the driver. It is alleged that Minerva Mojica, an excluded driver on his policy, had been driving the vehicle at the time of the accident. Haggins has been charged with one count of Insurance Fraud (F3) and one count of Criminal Attempt/Theft by Deception (M1).
- Holly Rosenkrantz and Craig Leonardo were arrested on November 27, 2007 in Lancaster County. According to the Criminal Complaint, Rosenkrantz added comprehensive and collision coverage to her Progressive Insurance Company policy for her 2002 Hyundai on February 20, 2007 at 9:14 am. On February 22, 2007, Rosenkrantz reported to Progressive that her boyfriend, Craig Leonardo, was involved in an accident on February 20<sup>th</sup> at 5:00 pm. On February 22, 2007, Leonardo informed Progressive that he was involved in an accident with Rosenkrantz' vehicle on February 20<sup>th</sup>. It is alleged that Leonardo was involved in an accident on January 26, 2007 with Rosenkrantz' vehicle and that the damage being claimed on February 20, 2007 was the damage from the January 26, 2007 accident. Rosenkrantz and Leonardo were each charged with two counts of Insurance Fraud (F3) and one count of Criminal Attempt/Theft by Deception (M1).
- On November 28, 2007, Eileen Crone was arrested in Lancaster County. According to the Criminal Complaint, Crone filed a claim with Allstate Insurance Company on August 31, 2007, stating that she struck a deer with her Honda Civic. Crone only had comprehensive



coverage under her policy. It is alleged that the damage to Crone's vehicle was not caused by a deer strike but by striking another vehicle. Crone has been charged with one

count of Insurance Fraud (F3) and one count of Criminal Attempt/Theft by Deception (M1).

- Stacey Kosek was arrested on November 19, 2007 in Luzerne County. According to the Criminal Complaint, Kosek purchased a disability policy from the American General Financial Services to pay for her car loan if she was disabled. Kosek filed a claim and her doctor filled out a form indicating she was disabled for a period of ten days. Kosek was advised by the American General that there was a fourteen day waiting period prior to benefits commencing. It is alleged that Kosek altered the dates on the original doctor's form on three separate occasions, receiving and attempting to receive benefits. Kosek has been charged with one count of Insurance Fraud (F3), one count of Theft by Deception (M1), three counts of Forgery (M1) and one count of Criminal Attempt/Theft by Deception (M1).
- On November 21, 2007, Karen Gursky was arrested in Carbon County. According to the Criminal Complaint, Gursky purchased a sickness policy from Combined Insurance Company of America on May 7, 1997. In late January/early February, 2007, Gursky made two claims for lost wages due to sickness and submitted claim forms signed by her doctor. It is alleged that Gursky's doctor did not treat her on the days indicated on the claim forms and that the signatures on each were not the doctors. Gursky has been charged with two counts of Insurance Fraud (F3), one count of Theft by Deception (M1), two counts of Forgery (M1) and one count of Criminal Attempt/Theft by Deception (M1).
- Brian Thomas was arrested on November 27, 2007 in Schuylkill County. According to the Criminal Complaint, Thomas owned several vehicles, but only his Pontiac had emergency road service coverage which entitled him to reimbursement for towing. It is alleged that Thomas submitted several fraudulent tow receipts to State Farm Insurance Company for the purported towing



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of his Pontiac when it was Thomas' motorcycle and Cadillac that were towed. Thomas has been charged with one count of Insurance Fraud (F3), one count of Criminal Attempt/Theft by Deception (M2) and one count of Theft by Deception (M2).

- On November 27, 2007, Frank Tumminia was arrested in Washington County. According to the Criminal Complaint, Tumminia worked as a health insurance broker. It is alleged that Tumminia forged applications for critical illness insurance policies for six existing clients, who did not request this coverage. It is further alleged that Tumminia used clients banking information to automatically debit their bank accounts to pay for the premiums which were not authorized by the clients. Tumminia has been charged with one count of Forgery (F3), one count of Insurance Fraud (M1) and one count of Identity Theft (M1).



- Ricardo Girardi pled guilty to one count of Criminal Attempt/Theft by Deception (M1) in Clearfield County. Girardi operated a video rental store in Curwensville which sustained water damage due to a broken pipe. Girardi inflated his claim to St. Paul Travelers Insurance Company by claiming numerous items damaged or destroyed by water which were either not destroyed or not in the store at the time the pipe broke. Girardi was sentenced to 36 months of restrictive intermediate punishment, with 2 months to be served as house arrest and ordered to perform 50 hours of community service and to pay a fine of \$1,000 and all court costs.

- Susan Good pled guilty to one count of Insurance Fraud (F3) in Cumberland County. Good staged the theft of her van and filed a fraudulent theft claim with Erie Insurance Company. Good was sentenced to serve 2 years probation, ordered



to perform 50 hours of community service, pay a fine of \$350, restitution of \$14,383.70 and all court costs.

- Heather Howell pled guilty to one count of Criminal Attempt/Theft by Deception (M1) in Cumberland County. Howell's windshield was broken on her uninsured vehicle while driving to work. Howell obtained new coverage through Progressive Insurance Company and filed a claim falsely stating that the accident occurred several hours after she obtained the coverage. Howell was sentenced to serve 2 years less 1 day probation, ordered to perform 50 hours of community service and ordered to pay all court costs.
- Gregory Sportelli pled guilty to one count of Insurance Fraud (F3) and one count of Forgery (M1) in Northampton County. Sportelli was involved in an accident and submitted to Ohio Casualty Insurance Company a fabricated estimate containing pre-existing damage and a forged signature. Sportelli was sentenced to serve 2 years probation and ordered to pay a fine of \$500 and all court costs.
- On November 30, 2007, Marrakesh Inc. pled guilty to 15 counts of Failure to Carry Workers' Compensation Insurance (M3) in Philadelphia County. Marrakesh Inc. failed to carry workers' compensation insurance for the business when an employee was injured on the job. Marrakesh Inc was ordered to pay a fine of \$10,000, restitution of \$15,000 and all court costs.

### (ARD) DISPOSITIONS

During the month of November, five additional defendants received Accelerated Rehabilitative Disposition (ARD). Defendants who receive ARD are typically sentenced to 2 years probation, 50 hours community service, and ordered to pay full restitution, all ARD costs and all court costs.