

PRESS RELEASE

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For Immediate Release

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Insurance Commissioner and Attorney General Announce Conviction For Insurance Fraud

October 8, 2007 -- Attorney General Kelly A. Ayotte and Insurance Commissioner Roger A. Seigny announced today the conviction of Joseph Arcidiacono for one count of Insurance Fraud, under RSA 638:20.

Arcidiacono, age 29, of Seabrook, New Hampshire, pled guilty to one count of Insurance Fraud, a Class A Felony, in the Cheshire County Superior Court. Arcidiacono was charged with providing false, incomplete or misleading information in support of a claim to Peerless Insurance following an automobile accident. Arcidiacono alleged that he had lost wages, valued between \$2,880-\$3,000, as a result of the automobile accident. In support of this claim, Arcidiacono submitted an employment verification form, purportedly from his employer. However, this document had not been actually filled out by the employer. When confronted by the insurance company's investigator, Arcidiacono admitted he had faxed the document, but denied knowing that the document was false. As a result of the questionable documentation, Arcidiacono's claim was denied.

Arcidiacono was sentenced to serve a six month House of Corrections sentence. The jail term was suspended for a period of three years on the conditions that he pay a \$3000 fine and remain of good behavior. The State dropped a second count of Insurance Fraud that charged Arcidiacono with submitting false documents relative to a lost hockey tryout opportunity. A Class A felony charge carries a maximum penalty of 7 ½-15 years incarceration and a fine of \$4000 or an amount not to exceed double the amount of property gained in the commission of a felony.

“This kind of fraud has a very direct impact on all New Hampshire drivers, because it causes automobile insurance rates to rise,” stressed Insurance Commissioner Seigny. Attorney General Ayotte said “My office is committed to prosecuting those who violate

our laws. Insurance fraud victimizes all of New Hampshire's citizens by driving up costs for insurance."

The convictions are the result of a joint investigation conducted by the Attorney General's Office and the Insurance Department Fraud Unit. Pursuant to RSA 417:23, the Fraud Unit was formed to investigate Insurance Fraud and other insurance-related criminal activity.

In this case, the criminal activity was initially spotted by an adjuster at Peerless Insurance who referred the matter to Peerless's Special Investigations Unit (SIU) for further investigation. SIU Investigator Kelly McClare conducted the subsequent investigation on behalf of Peerless. The matter was then referred to the Insurance Department's Fraud Unit for a criminal investigation.

For further information contact Attorney Catherine Tucker at 271-7987.

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ABOUT THE NH INSURANCE DEPARTMENT

The first insurance regulator in the US, the NH Insurance Department was created in 1851 and charged with enforcing and administering New Hampshire's insurance laws. The department, an agency of the executive branch of New Hampshire state government, conducts safety and soundness and market conduct examinations of licensees; licenses insurance companies, insurance producers and others; reviews premium rates and policy forms; provides assistance, information and referral services to New Hampshire insurance consumers; and administers the filing and collection of New Hampshire's insurance premium tax. For more information, visit the New Hampshire Insurance Department's web site at: www.nh.gov/insurance.