



STATE OF RHODE ISLAND
DEPARTMENT OF BUSINESS REGULATION
1511 PONTIAC AVENUE, BUILDING 69-2
CRANSTON, RHODE ISLAND 02920

IN THE MATTER OF:

BRUNO RAGUSA
RESPONDENT.

DBR No.: 2023-IN-003
&
NPN No.: 18536826

**EMERGENCY ORDER SUMMARILY SUSPENDING LICENSE;
ORDER TO SHOW CAUSE: WHY AN ORDER SHOULD NOT ISSUE
TO REVOKE AN INSURANCE PRODUCER LICENSE AND
PENALTIES SHOULD NOT BE ASSESSED;
NOTICE OF HEARING AND APPOINTMENT OF HEARING OFFICER**

The Director (“Director”) of the Rhode Island Department of Business Regulation (“Department”) hereby issues this Emergency Order summarily suspending the insurance producer license of Bruno Ragusa (“Respondent”). The Director issues this Emergency Order Summarily Suspending License, Order to Show Cause Why an Order Should Not Issue to Revoke an Insurance Producer License, Notice of Hearing, and Appointment of Hearing Officer pursuant to R.I. Gen. Laws § 42-35-1 *et seq.* to provide interested parties with Notice of an administrative hearing in connection with information the Department has received against the Respondent. The Director issues the Emergency Order for the following reasons:

EMERGENCY FINDING

1. Based on the facts below, the Director finds that the Respondent presents a threat to the public welfare were he to continue holding an insurance producer license.



2. This Emergency Order is being issued because the Department believes that the Respondent is opening fraudulent policies on behalf of consumers without their knowledge or permission.
3. Respondent has submitted over ten applications for insurance policies that were issued by insurers, but insurers have provided the Department with records of eleven phone calls to insurers where the consumers state that they had not authorized or were even aware of the insurance.
4. The Department has received two consumer complaints in the last year against Respondent, alleging that they had not authorized nor were they aware of insurance obtained by Respondent on their behalf.
5. After investigating the most recent consumer complaint submitted on February 21, 2023, an outreach to Great Western Insurance Company (“Great Western”) disclosed that they had received at least eleven calls from Rhode Island citizens regarding life insurance policies written by Respondent.
6. Great Western produced eleven audio records of those calls to the Department, and two of them corresponded to two of the complaints the Department had recently received.
7. Each of the two complaints and eleven call recordings presented the same consumer situation.
 - a. Each consumer called Great Western to ask about a charge on their bank account.
 - b. Each consumer identified that they had not purchased insurance from Respondent.
 - c. Many of the consumers identified that they did not know Respondent, but some had previously purchased insurance from Respondent, just not the current policy.



- d. And none of the eleven policies issued by Respondent were authorized by the consumers.
8. Great Western cancelled Respondent's rights to sell Great Western policies on February 24, 2023.
9. However, reviewing Respondent's appointments with other insurers via the Massachusetts online database, Respondent is authorized to write for twelve other insurers, and as such without this action, is able to continue writing insurance in Rhode Island.
10. Therefore, this emergency suspension is in the public's best interest.

FACTS SUPPORTING THIS ORDER

11. Respondent currently holds a Rhode Island resident insurance producer license (License# 3000254213, NPN# 18536826) with a current expiration date of December 31, 2023.
12. The Department has received three consumer complaints against Respondent, all involving the alleged fraudulent writing of insurance policies without the consumer's knowledge. The first complaint was received on March 19, 2021. The second complaint was received on October 28, 2022. The third complaint was received on February 22, 2023.
13. While investigating the most recent consumer complaint, the Department learned of numerous other complaints received by an insurance company which had authorized Respondent to sell their insurance.
14. In March 2023, Great Western provided and authenticated call recordings from eleven distinct consumers to the insurance company, where each consumer called to cancel policies while alleging fraudulent charges had showed up on their bank accounts.



Consumer Complaints

Consumers A & AA

15. Consumers A & AA filed a complaint with the Department on February 21, 2023, DBR Complaint No. 60833, and called Great Western to cancel their policy and express concerns about the Respondent.
16. Great Western recorded a call with Consumers A & AA on February 13, 2023.
17. In this complaint and recording, Consumers A & AA alleged that:
 - a. They became aware of concerns when they noticed a charge of \$120 being taken from their bank account.
 - b. After reaching out to their bank, Consumer A became aware that a transaction was done with their routing information and account number. Consumer A was unaware of why the transaction had occurred and asked for the transaction to be denied and their bank account was credited.
 - c. Days later, Consumer A received a notification from Great Western that they owed a premium amount for an insurance policy on their partner's bank account.
 - d. Consumer A contacted the Great Western to cancel the policy as they were unaware and did not authorize them and was informed that both policies were written by Respondent, using an unauthorized E-signature from Consumer A.
 - e. During the call, Consumer A's partner Consumer AA asked if he also had a policy. Great Western confirmed that Consumer AA also had a policy, taken out the same day, also with an E-Signature.
 - f. Consumer A did previously have a life insurance policy, but they cancelled that policy in July 2022 and had not opened a new one.



18. In an initial response to the complaint on February 24, 2023, Respondent stated he met with Consumer A and Consumer AA in their home to complete the applications, but Consumer A states that they moved in August 2022 and Respondent did not have knowledge of their new address as the address submitted in the application was Consumer A's old address.

Consumer B

19. Consumer B filed a complaint with the Department, DBR Complaint No. 59834, on October 28, 2022, regarding Respondent.

20. Great Western recorded a call with Consumer B on October 7, 2022.

21. In the complaint and recording, Consumer B alleged that:

- a. Consumer B worked with Respondent to open a life insurance policy. Consumer B agreed to a 20-year life insurance policy for \$5,000 of coverage with a premium of \$10 a month. Great Western informed Consumer B that the policy written by Respondent was for \$20,000 of coverage.
- b. After meeting with Respondent, Consumer B had two bank charges for \$100 from Great Western and another insurance company. Both insurance companies cancelled the policies and issued a refund on October 25, 2022.
- c. Consumer B made multiple outreach attempts to Respondent, but Respondent was unresponsive.

22. Respondent responded to that complaint by denying the consumer's assertions. He also said "I've never been in a situation where I have had complaints against me until now."

23. However, Respondent had been the subject of a 2021 Rhode Island consumer complaint about misrepresentations. And Rhode Island received and referred to Massachusetts a 2020



consumer complaint that included similar allegations of misrepresentations and fraudulent signatures.

Consumer C

24. Consumer C, called Great Western due to noticing charges of \$83.99 in their bank account.
25. Great Western recorded a call with Consumer C.
26. Consumer C was informed by Great Western that there was an application submitted for coverage on September 26, 2022, involving Respondent as the insurance producer. Consumer C states they were unaware of a new life insurance policy and did not authorize it.
27. Consumer C did have other life insurance policies which were never cancelled. Great Western refunded Consumer C and immediately cancelled the new policy.

Consumer D

28. Consumer D called Great Western on February 28, 2023, after noticing a bank charge on their bank statement.
29. Great Western confirmed the charge related to an insurance policy written by Respondent.
30. Great Western recorded a call with Consumer D on February 28, 2023.
31. Consumer D had been unaware of a life insurance policy issued on January 28, 2023 and did not authorize the insurance or the payment.
32. Consumer D asked for the policy to be cancelled and the premium was refunded.

Consumer E

33. Consumer E called Great Western on January 31, 2023, after noticing a bank charge of \$100.
34. Great Western confirmed the charge related to an insurance policy written by Respondent.
35. Great Western recorded a call with Consumer E on January 31, 2023.



36. Consumer E was unaware of the life insurance policy written on January 28, 2023 and did not authorize it. After the Great Western phone representative informed her of the name of the producer, Consumer E states that they did work with Respondent years ago but had not worked with him as of recent and did not authorize a new policy.
37. Consumer E cancelled the new policy opened on January 28, 2023.

Consumer F

38. Consumer F called Great Western on January 28, 2023, due to a bank charge of \$99.99.
39. Great Western confirmed the charge related to an insurance policy written by Respondent.
40. Great Western recorded a call with Consumer F on January 28, 2023.
41. Consumer F was not familiar with Respondent and had not authorized a new life insurance policy opened on January 28, 2023. Great Western cancelled the policy and refunded the premium.

Consumer G

42. Consumer G called Great Western due to multiple unfamiliar bank charges in their bank statements.
43. Great Western confirmed the charge related to an insurance policy written by Respondent.
44. Great Western recorded a call with Consumer G.
45. Consumer G expressed that they never authorized a \$7,331 policy issued on December 25, 2022, or an application that was submitted by Respondent on December 9, 2022.
 - a. Great Western received a cancellation letter on January 16, 2023, supposedly signed by Consumer G's partner. Consumer G expressed they did not sign or send that letter.
 - b. Upon receipt of the cancellation letter, Great Western issued a refund of \$129.



46. Consumer G was also told there was another policy which had been opened September 26, 2022, for \$10,303 of coverage. Consumer G did not have any knowledge of this policy.
 - a. Great Western also received a signed cancellation letter for this policy. Consumer G stated they did not sign or send any letters.
 - b. Despite the cancellation letter received, the policy had not yet been cancelled but the premium payments of \$375 were refunded.

Consumer H

47. Consumer H called Great Western on January 6, 2023, due to an unfamiliar bank charge in their bank statement.
48. Great Western confirmed the charge related to an insurance policy written by Respondent.
49. Great Western recorded a call with Consumer H on January 6, 2023.
50. The policy was for \$8,629 of coverage opened on January 3, 2023. Consumer H expressed they were familiar with Respondent and did not authorize a new policy to replace their other policy with a different insurance company.

Consumer I

51. Consumer I called Great Western on February 7, 2023, due to an unfamiliar bank charge of \$130.
52. Great Western confirmed the charge related to an insurance policy written by Respondent.
53. Great Western recorded a call with Consumer I on February 7, 2023.
54. Consumer I was unaware and did not authorize an application that was submitted on December 29, 2022, for which the policy issued on January 28, 2023.
55. Consumer I had worked with Respondent in the past and he had previously written a policy with Colonial Life Insurance for a premium of \$35 a month, but Consumer I had not authorized a new policy.



56. Consumer I also never received an application packet that was mailed on December 30, 2023, as Respondent had it mailed to his personal address and never delivered it to Consumer I.

Consumer J

57. Consumer J called Great Western in February 2023 after receiving mail regarding a policy opened under their deceased partner's name and information.
58. Great Western confirmed the charge related to an insurance policy written by Respondent.
59. Great Western recorded a call with Consumer J.
60. Consumer J's partner died on August 9, 2021, and an application for life insurance policy was submitted on December 29, 2022. The policy issued on January 28, 2023.
61. Great Western cancelled the policy and reported the producer.

Consumer K

62. Consumer K called Great Western due to receiving a letter stating their policy was cancelled.
63. Great Western confirmed the charge related to an insurance policy written by Respondent.
64. Great Western recorded a call with Consumer K.
65. Great Western received a signed cancellation letter supposedly signed by Consumer K. Consumer K did not sign or send any letter to cancel the policy as they were unaware of said policy.
66. Consumer K had worked with Respondent years ago to open a life insurance policy with a premium of \$50.17 for \$13,000 of coverage. Consumer K has been making payments on this policy for years.
67. Consumer K was unaware of and had not authorized a new policy issued on January 22, 2023 for \$15,766 of coverage and a premium of \$199.99.



AUTHORITY

68. R.I. Gen. Laws§ 42-35-14(c) states that if "the agency finds that public health, safety, or welfare imperatively requires emergency action, and incorporates a finding to that effect in its order, summary suspension of license may be ordered pending proceedings for revocation or other actions."
69. R.I. Gen. Laws§ 27-2.4-14(a) provides several bases for the Department to bring an action to revoke an insurance producer's license, including (2) Violating any insurance laws, or violating any regulation, subpoena or order of the insurance commissioner or of another state's insurance commissioner; (5) Intentionally misrepresenting the terms of an actual or proposed insurance contract or application for insurance; (8) Using fraudulent, coercive, or dishonest practices or demonstrating incompetence, untrustworthiness or financial irresponsibility in this state or in another place; and (10) Forging another's name to an application for insurance or to any document related to an insurance transaction.
70. R.I. Gen. Laws§ 42-14-16(a)(1) provides that after a hearing, the Department can revoke or suspend, or issue penalties for violations of Title 27, Chapter 14 of Title 42, or regulations promulgated thereunder.

THEREFORE, based on the foregoing, the Director hereby **ORDERS**:

- I. That Respondent's resident insurance producer license be suspended immediately;
- II. Respondent is ordered to appear before a Hearing Officer at the Department for a Pre-Hearing Conference on Friday, August 25, 2023 at 2:00 P.M. at the Department of Business Regulation, 1511 Pontiac Avenue, Building 69-2, Cranston, RI 02920, held pursuant to 230-RICR-10-00-2.5 as to why the Director should not issue an order revoking



Respondent's insurance producer license and issue penalties pursuant to R.I. Gen. Laws §§ 27-2.4-14(a)(2,5,8,&10)) and 42-14-16(a)(1) and 230-RICR-10-00-02.4;

- III. The Director hereby appoints Catherine R. Warren, Esq. as Hearing Officer for the purpose of conducting the hearing and rendering a decision in this matter. The proceedings shall be conducted in conformity with 230-RICR-10-00-2 and R.I. Gen. Laws §§ 42-35-1 et seq.
- IV. Pursuant to 230-RICR-10-00-2.7, the Respondent may be represented by legal counsel admitted in the State of Rhode Island. If Respondent fails to appear at the hearing and has not otherwise notified the Department of Respondent's inability to attend, the Hearing Officer may enter a default judgment against Respondent pursuant to 230-RICR-10-00-2.21.

If you have any questions regarding the subject matter of the hearing, please Attorney Mariel Garcia, Esq., via email at mariel.garcia@dbr.ri.gov or by phone at (401) 462-9606 and reference the case name and number.

Dated August 7, 2023

Elizabeth Kelleher-Dwyer, Esq.
Director

All are welcome at the Rhode Island Department of Business Regulation ("DBR"). If any reasonable accommodation is needed to ensure equal access, service or participation, such as to request sign language and/or CART services for the deaf and hard of hearing, please contact DBR at **DBR.DirOfficeInq@dbr.ri.gov** or call DBR at 401-462-9500, RI Relay at 7-1-1. We would encourage you to contact us as soon as possible, and at least 5 business days before the date of the scheduled hearing, to allow adequate time to process your request.



CERTIFICATION OF SERVICE

I hereby certify that on this 7th day of August, 2023, a copy of this Order to Show Cause, Notice of Hearing and Appointment of Hearing Officer was sent by first class mail postage prepaid and certified mail to:

Bruno Ragusa
[REDACTED]
North Attleboro, Massachusetts 02760

And by email to:

1. Catherine Warren, Esq., Hearing Officer (catherine.warren@doa.ri.gov);
2. Matthew Gendron, Esq. (matthew.gendron@dbri.ri.gov);
3. Mariel Garcia, Esq. (mariel.garcia@dbri.ri.gov);
4. Rachel Chester (rachel.chester@dbri.ri.gov);
5. Bruno Ragusa (bruno@atlanticcoastssinc.com).

Megan J. Mihara

Print Name: _____