



COMMONWEALTH OF MASSACHUSETTS
Office of Consumer Affairs and Business Regulation
DIVISION OF INSURANCE

1000 Washington Street • Suite 810 • Boston, MA 02118-6200
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<http://www.mass.gov/doi>

CHARLES D. BAKER
GOVERNOR

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JAY ASH
SECRETARY OF HOUSING AND
ECONOMIC DEVELOPMENT

JOHN C. CHAPMAN
UNDERSECRETARY

GARY D. ANDERSON
ACTING COMMISSIONER OF INSURANCE

March 17, 2017

Natale L. Lauranzano
6 Goodyear Street
Beverly, MA 01805

RE: Natale L. Lauranzano – Massachusetts License No. 1716826
SIU Investigation No. 9274

VIA VIA E-MAIL (caperruzzi@perruzzilaw.com)

Dear Mr. Lauranzano:

I represent the Massachusetts Division of Insurance (“Division”) with regard to the above-captioned investigation. Pursuant to an investigation conducted by the Division’s Special Investigations Unit, the Division has cause to believe that you violated the Massachusetts insurance laws set forth below by the conduct detailed in this settlement letter.

This case was opened on July 12, 2016, after the Division received a complaint alleging that you supplied to your clients invalid, false and/or fraudulent Certificates of Liability (“Certificates”). Further investigation revealed pervasive and widespread issues concerning your competence and trustworthiness as an insurance producer.

A Certificate is intended to provide evidence of Massachusetts workers’ compensation and employers’ liability insurance coverage. Between 2012 and 2016, you issued over 40 Certificates to 16 insureds that contained false, invalid and/or fraudulent information. Some of the Certificates contained non-existent policies; others contained inaccurate policy effective and expiration dates. All Certificates contained your signature as “authorized representative.”

Additionally, the Division has evidence that you failed to remit policy premiums on at least one occasion.

The conduct described above is evidence of the following violations:

M.G.L. c. 175, § 162R (a)(4) . . . [t]he commissioner may place on probation, suspend, revoke or refuse to issue or renew an insurance producer’s license or may levy a civil penalty for . . . improperly withholding, misappropriating or converting any monies or properties received in the course of doing business. Additionally, a violation is punishable by a fine up to one thousand dollars. M.G.L. c. 176D, § 7.

M.G.L. c. 175, § 162R (a)(8) . . . [t]he commissioner may place on probation, suspend, revoke or refuse to issue or renew an insurance producer's license or may levy a civil penalty for . . . using fraudulent, coercive or dishonest practices in the conduct of business. Additionally, a violation is punishable by a fine up to one thousand dollars. M.G.L. c. 176D, § 7.

M.G.L. c. 176D, §2 – No person shall engage in this commonwealth in any trade practice which is defined in this chapter as, or determined pursuant to section six of this chapter to be, an unfair method of competition or an unfair or deceptive act or practice in the business of insurance. A violation is punishable by a fine up to one thousand dollars. M.G.L. c. 176D, § 7.

M.G.L. c. 176D, §3 – The following are hereby defined as unfair methods of competition and unfair or deceptive acts or practices in the business of insurance: (2) False information and advertising generally: making . . . an advertisement, announcement or statement containing any assertion, representation or statement with respect to the business of insurance or with respect to any person in the conduct of his insurance business, which is untrue, deceptive or misleading.

M.G.L. c. 175L, § 3 (a) – No Person shall: (i) knowingly prepare, issue or require the issuance of a certificate of insurance that contains any false or misleading information concerning the policy of insurance to which the certificate makes reference; or (ii) prepare, issue, request or require the issuance of a certificate of insurance that purports to affirmatively or negatively alter, amend or extend the coverage provided by the policy of insurance to which the certificate of insurance makes reference. A violation is punishable of up to \$500 per violation.

The Division is authorized to issue an order requiring you to show cause as to why you should not be made to cease and desist from the above alleged conduct. If, after a public hearing, the Commissioner of Insurance finds that you did commit the alleged violations, he may impose a fine up to the amounts listed above and order that your Massachusetts Insurance Producer License be placed on probation, suspended or revoked.

The Division proposes to resolve this matter **without fines** through a Settlement Agreement if you agree to waive your right to a hearing and agree to the permanent revocation of your Massachusetts insurance producer license. If you choose to accept the Division's offer as set forth in the enclosed Settlement Agreement, please sign where provided and return to my attention by **March 31, 2017**.

Although this correspondence does not constitute the required statutory notice of a public hearing, if this matter is not resolved by **March 31, 2017**, the Division intends to file its Order to Show Cause and will notify you of the hearing date.

Thank you for your prompt attention to this matter. Should you have any questions or wish to discuss this matter further, I may be reached at (617) 521-7471 or Scott.Peary@state.ma.us.

Sincerely,

Scott J. Peary
Chief Enforcement Counsel

Enclosure



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SETTLEMENT AGREEMENT

This Settlement Agreement (“Agreement”) is made by and between the Commonwealth of Massachusetts, Division of Insurance (“Division”), and Natale L. Lauranzano (“Lauranzano”) licensed as an insurance producer licensed under the laws of the Commonwealth of Massachusetts (“Commonwealth”) and with a current mailing address of: 6 Goodyear Street Beverly, MA 01805.

WHEREAS, Lauranzano was licensed by the Division as an insurance producer pursuant to M.G.L. c. 175, § 162H *et seq.*;

WHEREAS, an insurance producer licensed in the Commonwealth must uphold the standards in M.G.L. c. 175, § 162H *et seq.* and must comply with the Commonwealth’s insurance laws, including without limitation, those set forth in M.G.L. c. 175 & M.G.L. c. 176D; the Code of Massachusetts Regulations; and any other regulatory requirements; each of which give the Commissioner of Insurance review, approval, and enforcement authority over licensees;

WHEREAS, the Division has conducted an investigation, Special Investigation Number 9274, and contends that the acts and conduct of Lauranzano as set forth in the Division’s correspondence dated March 17, 2017, a copy of which is attached hereto, constitute grounds for revocation of Lauranzano’s insurance license and the imposition of fines;

WHEREAS, Lauranzano is aware of his rights to notice and to an administrative hearing with respect to the alleged violations of Massachusetts insurance laws in these matters, and hereby waives those rights.

NOW THEREFORE, in consideration of the foregoing and the covenants, warranties, representations, and agreements contained herein, it is mutually agreed as follows:

1. Lauranzano agrees to have his Massachusetts insurance producer license permanently revoked by the Division.
2. Lauranzano agrees to immediately cease and desist from the conduct outlined in the Division’s March 17, 2017 correspondence, a copy of which is attached hereto.

3. Except as expressly set forth in this Agreement, the failure of the Division at any time to require strict performance by Lauranzano of any terms, provisions, or conditions hereof shall in no way affect the right thereafter to enforce the same, nor shall the waiver by the Division of any breach of any of the terms, provisions, and conditions hereof be construed or deemed a waiver of any succeeding breach of any term, provision, or condition thereof.

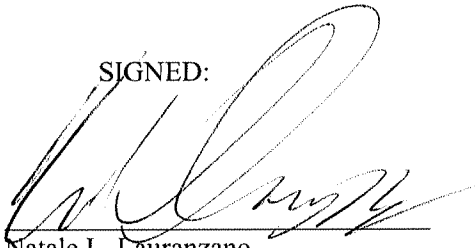
4. From the effective date of this Agreement, Lauranzano is prohibited from soliciting, aiding in the placement, continuation, or negotiation of insurance policies or taking any action which may lead any person or entity to believe that he is authorized in the Commonwealth to engage in the business of insurance in any capacity, including without limitation, acting as a licensed insurance producer, special insurance broker, public adjuster, insurance advisor, viatical loan provider, viatical broker, viatical settlement broker or viatical settlement provider, or any other licensed insurance professional.


5. Within thirty (30) days from the effective date of this Agreement, Lauranzano shall dispose of any and all interest (direct and indirect) he may have, including without limitation, as proprietor, partner, stockholder, officer, director, employee, consultant, or independent contractor of any insurance related business interest that he may hold in the Commonwealth.

6. From the effective date of this Agreement, Lauranzano is prohibited from owning, managing, directing or being an employee, consultant or an independent contractor, partner, director or officer, paid or unpaid, of any insurance related business in the Commonwealth.

7. In the event that the Division finds that there has been a breach of any provision of this Agreement, the Division may, in its discretion, pursue any and all legal remedies permitted by the Massachusetts insurance laws as well as any other appropriate law of the Commonwealth.

8. The provisions of this Agreement may be amended, modified, or expanded solely in writing by joint consent of the Division and Lauranzano.

SIGNED:

Natale L. Lauranzano



Commonwealth of Massachusetts
Division of Insurance
Scott Peary
Chief Enforcement Counsel

Dated: 3.30.17

Dated: March 17, 2017