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PRESS RELEASE

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Arizona Man Arrested in New Jersey on 92 Counts of Fraud

Phoenix, AZ –The Arizona Department of Insurance Fraud Unit, in a joint effort with the New Jersey Department of Insurance, arrested Brian McFarland on a total of 92 criminal counts involving fraud schemes, identity theft, and theft totaling more than \$450,000. On October 17th, McFarland was taken into custody in New Jersey and will be transported back to Phoenix, where he faces prosecution by the Arizona Attorney General’s Office.

McFarland is alleged to have forged his name on the Arizona insurance producer license of another agent with the same last name in 2005, and to have worked under the falsified license as an insurance agent for Resource Marketing Insurance Agency, LLC, which conducted business under the name Legends Environmental Insurance Services, LLC (“Legends”). In September 2013, Legends merged with Insurance Office of America, Inc. In the process of checking the background of the Legends employees they intended to retain, Insurance Office of America discovered McFarland’s forgery and reported it to the Arizona Department of Insurance Fraud Unit.

Based on evidence obtained from Insurance Offices of America, on July 23, 2014, the Arizona Department of Insurance Fraud Unit obtained a warrant to search Mr. McFarland’s place of business and his residences in both Phoenix and Flagstaff, Arizona. Initially, Mr. McFarland was believed to have sold over 200 commercial insurance policies while posing as a licensed agent. However, the Fraud Unit’s investigation suggests McFarland set up fraudulent bank accounts under Legends’ name without the agency’s knowledge, and diverted into these bank accounts approximately \$453,614.84 in premium payments belonging to 87 different commercial environmental companies located throughout the U.S. No insurance policies were ever issued for the premiums paid by the environmental companies.

During the investigation, McFarland moved out of Arizona and was recently located in New Jersey. Thanks to the coordinated efforts of the New Jersey Department of Insurance and the Fugitive Investigations Unit of the Gloucester County, New Jersey Prosecutor’s Office, Brian McFarland was arrested and will be returned to Arizona for prosecution.

The Arizona Department of Insurance, an agency of the State of Arizona, is responsible for the education and protection of insurance consumers and for oversight of the insurance industry in the state.