

PRESS RELEASE

JANICE K. BREWER
GOVERNOR



GERMAINE L. MARKS
DIRECTOR

ARIZONA DEPARTMENT OF INSURANCE

2910 North 44th Street, Suite 210, Phoenix, Arizona 85018-7256 · (602) 912-8456 · FAX: (602) 912-8452
www.azinsurance.gov

Media Contact: Darren Ellingson
Deputy Director
(602) 364-3471

For Immediate Release
September 24, 2013

Business Owner Arrested After Being Video Taped Committing Insurance Fraud.

PHOENIX - On July 20, 2013, Richard Sparta, who is owner of APEX Carpet Cleaning, was hired to give an estimate on mold damage to a policy holder's Mesa, AZ, residence. The allegations are that Sparta brought a Persian rug into the residence explaining to the policy holder they would have it damaged and the insurance company would pay her thousands of dollars.

Sparta also wanted the policy holder to leave the residence so he could break a plumbing pipe in order to cause additional damage. He instructed the insured they would then make a fraudulent insurance claim. The policyholder's son recorded the actions with his cell phone and the video was turned over to the Insurance Department's Fraud Unit. On July 25, 2013, the suspect arrived at the residence to complete the scam where he was arrested by agents of the Fraud Unit.

Sparta has been charged with Conspiracy to commit Fraud Schemes and Insurance Fraud. The case is being prosecuted by the Arizona Attorney General's Office.

Consumers who suspect insurance fraud are encouraged to call the Fraud Unit of the Arizona Department of Insurance at (602) 364-2140.

About the Arizona Department of Insurance

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.