

## EXHIBIT LIST

Exhibit A: Political flyer

Exhibit B: Judge Barch's Memorandum of Decision and Order dated May 11, 2022

Exhibit C: Affidavit of Owen Costanza

Exhibit D: Boone County Court Records for Case Number 1995 CM 170, Costanza pleads guilty to filing of a false police report.

Exhibit E: Form submitted by Liberty Insurance Company to the State of Wisconsin stating Costanza was terminated for fraud and misrepresentation

Exhibit F: ROA from Boone County Case Number 2007 DT 70, Costanza pleads guilty to driving under the influence.

Exhibit G: Pertinent pages from the 2008 Wisconsin Insurance Report reporting Costanza had his "license denied for 31 days."

Exhibit H: Final Order and Approval and Agreed Entry from State of Indiana, Commissioner of Insurance, Cause Number 9384-AG10-0831-135 for falsely answering application.

Exhibit I: Letter of Denial of Costanza's license application dated June 10, 2008 from the State of Wisconsin and related press release reporting denial based on failing to disclose previous criminal convictions on application and failing to disclose a company termination for allegations of misconduct.

Exhibit J: Letter from Costanza to the State of Montana, Licensing Department.

Exhibit K: 2015 Order of Dismissal and Stipulation and Consent Order from the State of Illinois, Department of Insurance.

Exhibit L: Letter from Illinois Department of Insurance dated July 19, 2022 confirming Paragraph K of the Illinois 2015 Stipulation and Consent Order and Costanza answering "no" to certain Illinois license application questions.

Exhibit M: Costanza's 2010 and 2012 Illinois/NIPR insurance license renewal applications.

## My Opponents Criminal Record Is:

- 1995 Pleads Guilty to Filing a False Report in Boone County
- 1999 Terminated from Liberty Insurance for Fraud Misrepresentation
- 1999 Pleads Guilty Writing Bad Check in Boone County
- 2000 Home Foreclosure in Boone County
- 2000 Completes Chapter 7 Bankruptcy Filed In 1996 As Chapter 13
- 2007 Pleads Guilty for Drunk Driving Winnebago County
- 2008 Wisconsin DOI Denies Insurance License for False Application
- 2010 Indiana DOI Fines Him \$1500 False Application & Revokes Insurance License
- 2011 Terminated from RMS Service Group for Misappropriating Company Funds
- 2012 Answers Fraudulently Again on Illinois DOI License Renewal Application
- 2014 Illinois DOI Investigates Numerous Complaints by Insurance Customers, Past Terminations, Criminal History, Unlawful Fund Withdrawals, and Fines & Discipline from Wisconsin and Indiana (IL-14-HR-0482 & IN-934-AG10-8031-135)
- 2014 Illinois DOI Revokes Insurance Business License for Major Agency Violations
- 2015 Illinois DOI Disciplines and Fines Him \$30,000.00 for Multiple Repeat Violations



We cannot allow a repeat criminal like Mr. Costanza to Defraud our village like he has defrauded his creditors, customers, past employers and the Wisconsin, Indiana, and Illinois Departments of Insurance. What else has he done to us?



**Restore Integrity to Poplar Grove.**

*Paid for by friends of Sattler for*

**WISCONSIN AFFIDAVIT EXHIBIT 2**



STATE OF ILLINOIS  
CIRCUIT COURT  
SEVENTEENTH JUDICIAL CIRCUIT

RONALD A. BARCH  
ASSOCIATE JUDGE



Boone County Courthouse  
601 North Main Street  
Belvidere, Illinois 61108

May 11, 2022

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RE: **RMS Insurance Services, Inc., et al. v. Donald G. Sattler, et al.**  
**Boone County Case No. 2021 L 30**

**MEMORANDUM OF DECISION AND ORDER**

**Matter Before the Court:**

Defendants' 2-619(a)(9) Motion to Dismiss Complaint Under the Illinois Citizen Participation Act, 735 ILCS 110/1, et seq.

**Matters Considered:**

Defendants' 2-619(a)(9) Motion to Dismiss Complaint Under the Illinois Citizen Participation Act, 735 ILCS 110/1, et seq. (with attachments)

Plaintiffs' Response to Defendants' Motion to Dismiss Complaint Under the Illinois Citizen Participation Act, 735 ILCS 110/1, et seq. (with attachments)

Defendants' Reply to Plaintiffs' Response (with attachments)

Oral argument of counsel (received March 25, 2022)



## DECISION

For the reasons that follow, Defendants' motion to dismiss is heard and denied.

### Relevant Law

The Illinois Citizen Participation Act, 735 ILCS 110/1, et seq. (the "Act"), is designed to protect defendants from what are termed "Strategic Lawsuits Against Public Participation" (SLAPPs). *Garrido v. Arena*, 2013 IL App (1<sup>st</sup>) 120466, ¶ 15 (2013); *Prakash v. Parulekar*, 2020 IL App (1<sup>st</sup>) 191819, ¶ 33 (2020). SLAPPs are "meritless lawsuit[s] utilized to retaliate against a party for attempting to participate in government by exercising first amendment rights such as the right to free speech or the right to petition." *Id.*, citing, *Chicago Regional Counsel of Carpenters v. Jursich*, 2013 IL App (1<sup>st</sup>) 113279, ¶ 15 (2013). SLAPPs are lawsuits "aimed at preventing citizens from exercising their political rights or punishing those who have done so." *Prakash*, 2020 IL App (1<sup>st</sup>) 191819 at ¶ 33. Plaintiffs in SLAPP suits do not intend to win but rather to chill a defendant's speech or protest activity and to discourage opposition by others through delay, expense and distraction. *Id.* SLAPPs use the threat of money damages or the prospect of the cost of defending against the suits to silence citizen participation. *Id.*; *Garrido*, 2013 IL App (1<sup>st</sup>) 120466 at ¶ 15. The purpose of the Act is to give relief, including monetary relief, to citizens who have been victimized by meritless, retaliatory SLAPP lawsuits because of an act or acts made in furtherance of the constitutional right to petition, speech, association and participation in government. *Id.*; *Garrido*, 2013 IL App (1<sup>st</sup>) 120466 at ¶ 15, citing, 735 ILCS 110/20, 25 (West 2022). SLAPPs are very hard to distinguish from ordinary lawsuits. *Id.*, citing, *Sandholm v. Kuecker*, 2012 IL 111443, ¶ 35 (2012)(SLAPPs masquerade as ordinary lawsuits and may include myriad causes of action, including defamation, interference with contractual rights or prospective economic advantage, and malicious prosecution).

A motion to dismiss a complaint based on immunity under the Act is properly raised under Section 2-619(a)(9) of the Illinois Code of Civil Procedure. *Prakash*, 2020 IL App (1<sup>st</sup>) 191819 at ¶ 33; *Garrido*, 2013 IL App (1<sup>st</sup>) 120466 at ¶ 15. As with all Section 2-619 motions, the legal sufficiency of the plaintiff's complaint is admitted, but the motion asserts that certain other defects or defenses outside of the pleadings defeat the claim. *Prakash*, 2020 IL App (1<sup>st</sup>) 191819 at ¶ 33.

When determining whether a SLAPP should be dismissed under Section 2-619, courts are required to engage in a three-step analysis: (1) whether the movant's acts were in furtherance of his right to petition, speak, associate, or otherwise participate in government to obtain favorable government action; (2) whether the nonmovant's claims are solely based on, related to, or in response to the movant's acts in furtherance of his constitutional rights; and (3) whether the nonmovant failed to prove that the movant's acts were not genuinely aimed at solely procuring favorable government action. *Garrido*, 2013 IL App (1<sup>st</sup>) 120466 at ¶ 16. The movant bears the burden of proof under the first two prongs of the analysis, after which the burden shifts to the nonmovant. *Id.*; see also, *Prakash*, 2020 IL App (1<sup>st</sup>) 191819 at ¶ 34.

**A. First Prong**  
**(Were The Movants' Actions In Furtherance of Constitutional Rights?)**

As noted above, when determining whether a claim is in fact a SLAPP and should be dismissed the court must first determine whether the movant's actions were in furtherance of his or her right to petition, speak, associate, or otherwise participate in government to obtain favorable government action. *Garrido*, 2013 IL App (1<sup>st</sup>) 120466 at ¶ 16; *Prakash*, 2020 IL App (1<sup>st</sup>) 191819 at ¶ 34.

As in the *Garrido* case, the answer to the first prong of the analysis is pretty straight forward. The dispute between the parties in *Garrido* sprang from a runoff election over an aldermanship for the 45<sup>th</sup> Ward in Chicago. *Garrido*, 2013 IL App (1<sup>st</sup>) 120466 at ¶ 3. During the runoff campaign the defendants (including the plaintiff's opponent, his opponent's campaign committee and other supporters of his opponent) ran television advertisements and circulated mailings that painted an unflattering picture of the plaintiff, who later lost the runoff election. *Id.* at ¶¶ 4-6. Some of the ads asserted that plaintiff had received money from a corrupt parking meter deal with the City of Chicago and others materials alleged he was improperly double dipping by drawing two municipal pension checks at the same time. *Id.* After the plaintiff lost the runoff election he filed suit alleging defamation *per se*, defamation *per quod* and false light. His suit prayed for minimum damages of \$300,000.00 as to each count of his complaint. *Id.* at ¶ 7. As the defendants' actions occurred during a contested election between the plaintiff and the defendant, the First District Appellate Court readily concluded that the defendants actions qualified as protected activity under the Act. *Id.* at ¶ 17.

In their Complaint, the Plaintiffs allege that Plaintiff Owen Costanza ("Costanza") is the former Village President for Poplar Grove, Illinois. (Complaint, ¶ 1). The complaint alleges Defendant Donald Sattler ("Sattler") is the current Village President of Poplar Grove, Illinois. (Complaint, ¶ 3). Plaintiffs allege further that Defendant Sattler has been a "vocal and constant antagonist" to Plaintiff Costanza since he terminated Defendant Sattler from the Village Planning Commission during his tenure as Village President. (Complaint, ¶¶ 3, 14, 15). Similarly, the Plaintiffs allege that Defendants Marion Thornberry ("Thornberry") and Elisabeth Rodgers ("Rodgers") have been longstanding "vocal and constant antagonist[s]" of Plaintiff Costanza. (Complaint, ¶¶4-5).<sup>1</sup>

According to the Complaint, Plaintiff Costanza and Defendant Sattler ran against each other in a race for the Village President of Poplar Grove. (Complaint, ¶ 22). Costanza and Sattler squared off beginning in the summer of 2020 and ended their campaigns with an election that occurred on April 6, 2021, which was won by Sattler. (Complaint, ¶ 22-4). Plaintiff Costanza alleges that during the election Sattler made statements and created and circulated written materials both in person and online to members of the public which were untrue, deceptive, misleading and inflammatory. (Complaint, ¶¶ 9, 17-20). Sattler circulated flyers containing false and defamatory statements (Complaint, Ex. 1) and also published false and defamatory statements and information on various social media platforms, including multiple Facebook accounts he controlled or managed, such as Belvidere Township Watch, Boone County Conservatives, Donald Sattler for Village President and Boone County Republicans For Better Government. (Complaint, ¶¶ 10, 13).

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<sup>1</sup>. The fourth Defendant, Cheryl Russell-Smith, has been voluntarily dismissed.

Plaintiffs further allege Defendant Sattler and his supporters called Plaintiff Costanza's donors and Plaintiff Flanders' customers to disseminate false and defamatory information about him, all of which also cost them business. (Complaint, ¶ 21). In addition, Plaintiffs allege that both before and during the subject election Defendant Sattler filed multiple false police reports about Plaintiff Costanza. Sattler filed two police reports alleging criminal conduct and voter intimidation by Costanza and Sattler's opponent in a precinct committeeman election which Sattler eventually lost. In a third police report, Sattler charged Costanza and his supporters with removing his yard signs during the Village President campaign. None of Sattler's police reports resulted in criminal charges against Plaintiff Costanza. (Complaint, ¶¶ 15-6, 23). Finally, Plaintiffs allege Sattler failed to stop his defamatory activity even after the election was over. (Complaint, ¶ 24). Plaintiffs assert some of the defamatory materials remain accessible on social media even through the date of oral argument on Defendants' motion to dismiss.

Plaintiffs' allegations against Defendants Thornberry and Rodgers are largely similar to those brought against Defendant Sattler. Plaintiffs allege each made statements and circulated materials (Complaint Ex. 1) concerning Plaintiff Costanza which were untrue, deceptive, misleading and inflammatory. (Complaint, ¶¶ 25, 34). As to Defendant Thornberry, Plaintiffs allege his defamatory actions began after Plaintiff Costanza beat Thornberry in an election for the Treasurer position of the Boone County Republican Club. (Complaint, ¶ 28). Among other things, Thornberry published false and defamatory statements and information about him using social media accounts he controlled (Facebook) and also filed a series of false claims with the Boone County States Attorney and Poplar Grove Village Attorney, wherein he accused Costanza of criminal conduct. (Complaint, ¶ 26-30). Plaintiffs claim that Defendant Rodgers used Freedom of Information Act requests to acquire information about Costanza and thereafter used the information to purposefully damage Costanza's business and political reputation. (Complaint, ¶¶ 34-7). They further alleged that Rodgers used social media blogs to publish false and defamatory statements and information about Costanza and that Rodgers also filed claims with the Village of Poplar Grove and the Illinois Department of Insurance, wherein she accused Costanza of criminal activity. (Complaint, ¶¶ 34, 37-39).

Importantly, Plaintiffs allege that Thornberry and Rodgers aligned themselves with Sattler during the summer of 2020 and worked in concert with Sattler until the Village President race ended in April 2021, and then beyond. (Complaint, ¶ 32). In this regard, Plaintiffs allege that Sattler, Thornberry and Rodgers have continued to publish false, misleading and inflammatory information about Costanza even after Sattler bested Costanza in their race for the Poplar Grove Village President. (Complaint, ¶¶ 33, 41).

Tortious or not, it cannot be denied that Plaintiffs' claims against Sattler, Thornberry and Rodgers concern their right to participate in government by running for election, supporting or opposing a candidate, or by exercising his or her First Amendment rights, such as free speech and the right to petition. The actions by Sattler, Thornberry and Rodgers were in furtherance of their First Amendment right to "petition, speak, associate, or otherwise participate in government" because their oral statements, social media posts and blogs constituted attempts to communicate with potential voters in a political election. *Garrido*, 2013 IL App (1<sup>st</sup>) 120466 at ¶ 17. To the extent their actions occurred separate from, concurrent with or subsequent to an election or political campaign, their actions were arguably undertaken in furtherance of their right to petition the government to obtain favorable result. For instance, Defendants assert that although Costanza

lost the election for Village President to Sattler, Costanza remains active in Boone County politics, including an active role in the Boone County Republican Central Committee, among other things. Indeed, Costanza has recently filed nomination papers to serve as Precinct Committee Person for Poplar Grove District 2.

**B. Second Prong  
(Are All of Plaintiffs' Claims Meritless?)**

That the actions of Sattler, Thornberry and Rodgers are protected by the Act does not mean Plaintiffs' claims must automatically be dismissed under the Act. The clear language of the Act establishes that it was not intended to protect those who commit tortious acts and then seek refuge in the immunity conferred by the Act. *Prakash*, 2020 IL App (1<sup>st</sup>) 191819 at ¶ 34, citing, *Sandholm*, 2012 IL 111443 at ¶ 45 (2012). It is entirely possible that defendants could spread malicious lies about an individual while in the course of genuinely petitioning the government for a favorable result. *Sandholm*, 2012 IL 111443 at ¶ 53. If a plaintiffs' lawsuit genuinely seeks redress for damages from defamation or other intentional torts and, thus, does not constitute a SLAPP, it is irrelevant whether the defendants' actions were genuinely aimed at procuring favorable government action, result, or outcome. *Id.* The legislative history of the Act supports the conclusion that the legislature intended to target only meritless, retaliatory SLAPPs and did not intend to establish a new absolute privilege or qualified privilege for defamation and other torts. *Sandholm*, 2012 IL 111443 at ¶ 50. (emphasis added)

In order to carry their burden under the second prong of the SLAPP analysis, the moving party "must affirmatively demonstrate that the plaintiff's claim is a SLAPP within the meaning of the Act, that is, that the claim is meritless and was filed in retaliation against the defendants' protected activities in order to deter the defendants from further engaging in those activities." *Garrido*, 2013 IL App (1<sup>st</sup>) 120466 at ¶ 18; *Prakash*, 2020 IL App (1<sup>st</sup>) 191819 at ¶ 34. How to prove a claim is "meritorious" or "retaliatory" is a central question to the second prong of the SLAPP analysis. *Garrido*, 2013 IL App (1<sup>st</sup>) 120466 at ¶ 19. A claim is "meritless" if the moving party disproves some essential element of the nonmovant's claim. *Id.*, citing, *Wright v. Development Group, LLC v. Walsh*, 238 Ill.2d 620, 638 (2010)(defamation claim meritless because defendant showed allegedly defamatory statement was actually true). In the end, the Act is expressly designed to bar only those lawsuits that try to abuse the justice system by bringing unfounded claims in retaliation against defendants who legitimately exercise their First Amendment rights, while simultaneously preserving the right of individuals to file lawsuits for real injuries. *Id.*

Plaintiffs' complaint attempts to set forth five (5) different causes of action against the Defendants: (a) tortious interference with prospective business advantage; (b) tortious interference with contract; (c) civil conspiracy; (d) defamation; and (e) business defamation.<sup>2</sup> These types of actions are typical of SLAPP actions. *Sandholm*, 2012 IL 111443 at ¶ 35.

To prevail on a cause of action for tortious interference with a prospective economic advantage, a plaintiff must prove: (1) his reasonable expectation of entering into a valid business

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<sup>2</sup>. For purpose of a Section 2-619 motion to dismiss charging SLAPP, the legal sufficiency of each of Plaintiffs' claims is presumed. See, *Garrido*, 2013 IL App (1<sup>st</sup>) 120466 at ¶ 21; *Prakash*, 2020 IL App (1<sup>st</sup>) 191819 at ¶ 33 (among others).

relationship; (2) the defendant's knowledge of the plaintiff's expectancy; (3) purposeful interference by the defendant that prevents the plaintiff's business expectancy from ripening into a valid business relationship; and (4) damages to the plaintiff resulting from such interference. *Midwest REM Enterprises, Inc. v. Noonan*, 2015 IL App (1<sup>st</sup>) 132488, ¶70 (2015). The "purposeful interference" element requires the plaintiff to show "that the defendant has committed some impropriety" that interfered with the expectancy. *Id.* Ill-will is not enough. A plaintiff must establish the defendant's actions were undertaken with actual malice. *King v. Levin*, 184 Ill.App.3d 557, 561-62 (1<sup>st</sup> Dist. 1989); *Arlington Heights National Bank v. Arlington Heights Federal Savings and Loan Assoc.*, 37 Ill.2d 546, 518 (1967).

The elements of the tort of intentional interference with contractual rights include: (1) the existence of a valid and enforceable contract between the plaintiff and another; (2) the defendant's awareness of the contractual relation; (3) the defendant's intentional and unjustified inducement of a breach of the contract which causes a subsequent breach by the other; and (4) damages. *Mannion v. Stallings & Company, Inc.*, 204 Ill.App.3d 179, 187 (1<sup>st</sup> Dist. 1990). Where the defendant's conduct is privileged, the plaintiff is required to prove the defendant's actions were done without justification or with actual malice. *Id.* at 189.

A "civil conspiracy" is a combination of two or more persons for the purpose of accomplishing by concerted action either an unlawful purpose or a lawful purpose by unlawful means." *REM*, 2015 IL App (1<sup>st</sup>) 132488 at ¶ 82. In order to state a claim for civil conspiracy, a plaintiff must allege an agreement and a tortious act committed in furtherance of that agreement. *Id.* Civil conspiracies can be promulgated on concerted action aimed at committing torts of fraud, tortious interference with business expectancies and malicious prosecution. *Id.*

To state a cause of action for defamation, a plaintiff must establish: (1) the defendant made a false statement about the plaintiff; (2) the defendant made an unprivileged publication of that statement to a third party, and (3) publication caused damages to the plaintiff. *Prakash*, 2020 IL App (1<sup>st</sup>) 191819 at ¶ 55. Statements that are defamatory *per se* include statements which impute the commission of a crime, statements which impute an inability to perform or a want of integrity in performing employment duties, and statements which impute a lack of ability or that otherwise prejudice a person in his or her profession or business. *Tuite v. Corbitt*, 224 Ill.2d 490, 501 (2006); *Prakash*, 2020 IL App (1<sup>st</sup>) 191819 at ¶ 55. Though truth or substantial truth may be an affirmative defense to a defamation action, the potential that a defendant may prevail on an affirmative defense does not mean the defamation claim is meritless in the first place. *Garrido*, 2013 IL App (1<sup>st</sup>) 120466 at ¶ 27. Stated differently, in the case of statements that constitute defamation, even if defendants can prove the allegedly defamatory statements at issue are substantially true or constitutionally privileged, they cannot carry their burden of showing that plaintiff's claim is meritless. *Id.*

The tort of defamation extends to corporate plaintiffs as well. Under Illinois law, commercial competitors are privileged to interfere with one another's prospective business relationships provided their intent is, at least in part, to further their business and is not solely motivated by spite or ill-will. *Imperial Apparel, Ltd. V. Cosmo's Designer Direct, Inc.*, 227 Ill.2d 381, 392 (2008). The privilege to compete does not, however, encompass the use of improper competitive strategies that employ fraud, deceit, intimidation, or deliberate disparagement. *Id.*



As is clear from the above, each of Plaintiffs' claims require underlying conduct which is tortious in nature. Plaintiffs here alleged the Defendants acted both separately and in concert to knowingly and intentionally damage their personal and business reputations and that the Defendants' individual and concerted actions caused each of them damages.

Stripped of rhetoric and redundancy, and accepting Plaintiffs' allegations as true, Defendants Sattler, Thornberry and Rodgers separately and in concert made oral statements and circulated written materials about Costanza both during and after a political campaign which imputed that Costanza has a "Criminal Record, that he lacks the integrity to serve as the Village President for Poplar Grove, and that he lacks the professional integrity and honesty necessary to working as an insurance professional. (See, Complaint, Ex. 1). Among other things, the flyer included the following statements:

**In 1995, Costanza pled guilty to filing a false report.**

Costanza argues the inclusion of this statement is false and misleading. In his affidavit, Costanza notes that while he did plead guilty to a Class B misdemeanor charge, he did so in exchange for a fine and court supervision. The charge did not lead to a criminal conviction and the case was expunged from his record in 2014, long before the campaign at issue. Moreover, the document produced by Defendants as proof of truthfulness (Motion to Dismiss, Ex. G) states expressly that no conviction ever entered against Costanza.

While the statement alone appears facially accurate, in the context of the flyer as a whole, along with other available information suggesting the statement in isolation is misleading and false, the statement is arguably defamatory as Costanza suffered no criminal conviction. The court declines to find an innocent construction. The statement imputes that Costanza was convicted of a crime, that he lacks integrity necessary to hold office, and prejudices him professionally by undermining his credibility in the eyes of his political and professional constituents. Substantial truth is an affirmative defense rather than proof that Plaintiffs' suit is meritless.

**In 1999, Costanza was terminated by Liberty Insurance for fraud and misrepresentation.**

Costanza argues inclusion of this statement is false and misleading. In his affidavit, Costanza notes that while Liberty Insurance filed documentation with the Wisconsin Department of Insurance accusing him of fraud and misrepresentation, no finding of fraud ever entered and Liberty Insurance ultimately paid him a severance. Moreover, the document produced by Defendants as proof of truthfulness (Motion to Dismiss, Ex. H) states expressly that the document is not a final finding, but rather a statement that an investigation may occur.

While the statement alone appears facially accurate, in the context of the flyer as a whole, along with other available information suggesting the statement in isolation is misleading and false, the statement is arguably defamatory as Costanza suffered no finding of fraud or misrepresentation. The court declines to find an innocent construction. The statement imputes that Costanza committed acts of fraud and misrepresentation and was terminated from his employment. The statement imputes that he lacks integrity necessary to hold office and prejudices him professionally by undermining his credibility in the eyes of his political and professional

constituents. Substantial truth is an affirmative defense rather than proof that Plaintiffs' suit is meritless.

**In 1999, Costanza plead guilty to writing bad checks.**

Costanza argues the inclusion of this statement is false and misleading. In his affidavit, Costanza admits he pled guilty to a misdemeanor offense for writing a bad check. Costanza offers reasons why he did so, but the record confirms a judgment of conviction entered in exchange for fines of \$300.00 and a period of 12 months of conditional discharge.

Though the guilty plea and judgment of conviction occurred in 1999, it nonetheless appears true. To the extent Defendants seek dismissal of claims based upon the statement that Costanza pled guilty to writing a bad check in 1999, alone the court finds dismissal would be proper because the statement is true, making Plaintiffs' claim on this issue meritless.

**In 2000, Costanza suffered a home foreclosure in Boone County, Illinois.**

Costanza argues the inclusion of this statement is false and misleading. In his affidavit, Costanza does not deny that he suffered a home foreclosure in 2000. Instead, he argues the inclusion of the statement is false and misleading because a foreclosure judgment is a civil matter and not proof of a criminal act nor proof of fraud or deception of creditors, customers or former employers.

Though the foreclosure at issue occurred in 2000, the statement attributed to Defendants is nonetheless true. Exhibit J to Defendants' Motion to Dismiss confirms as much. See, *Chase Mortgage v. Owen Costanza, et al.*, Boone County Case No. 1999 CH 145. To the extent Defendants seek dismissal of claims based upon the statement that Costanza suffered a home foreclosure in 2000, alone the court finds dismissal would be proper because the statement is true, making Plaintiffs' claim on this issue meritless.

**In 2000, Costanza completed a bankruptcy filing.**

Costanza argues the inclusion of this statement is false and misleading. In his affidavit, Costanza does not deny that he suffered a home foreclosure in 2000. Instead, he argues the inclusion of the statement is false and misleading because a bankruptcy is a civil matter and not proof of a criminal act nor proof of fraud or deception of creditors, customers or former employers. False statements about a person's credit history can support a claim for defamation, but true statements cannot. *Voyles v. Sandia Mortg. Corp.*, 196 Ill.2d 288, 296 (2001).

Though the bankruptcy occurred in 2000, the statement attributed to Defendants is nonetheless true. Exhibit K to Defendants' motion to dismiss confirms as much. To the extent Defendants seek dismissal of claims based upon the statement that Costanza previously filed and prosecuted a bankruptcy petition, alone the court finds dismissal would be proper because the statement is true, making Plaintiffs' claim on this issue meritless.

**In 2007, Costanza pled guilty to drunk driving.**

Costanza argues the inclusion of this statement is false and misleading. In his affidavit, Costanza notes that while he did plead guilty to a Class C misdemeanor charge of driving under

the influence of alcohol, he did so in exchange for a fine and court supervision. The charge did not lead to a criminal conviction. The document produced by Defendants as proof of truthfulness (Motion to Dismiss, Ex. L) states expressly that no conviction ever entered against Costanza.

While the statement alone appears facially accurate, in the context of the flyer as a whole, along with other available information suggesting the statement in isolation is misleading and false, the statement is arguably defamatory as Costanza suffered no criminal conviction. The court declines to find an innocent construction. The statement imputes that Costanza was convicted of a crime, that he lacks integrity necessary to hold office, and prejudices him professionally by undermining his credibility in the eyes of his political and professional constituents. Substantial truth is an affirmative defenses rather than proof that Plaintiffs' suit is meritless.

**In 2008, the State of Wisconsin denied Costanza's request for an insurance license due to a false application.**

Costanza argues the inclusion of this statement is false and misleading. In his affidavit, Costanza notes that while his application for a license to sell insurance in Wisconsin was denied in 2008, the application was essentially delayed for 31 days due to an error in the paperwork that was filed on his behalf. The paperwork error was quickly corrected and a license thereafter issued. Costanza's application was not permanently or indefinitely denied. The document produced by Defendants as proof of truthfulness (Motion to Dismiss, Ex. M) states expressly that Costanza's application was denied for a period of 31 days.

While the statement alone appears facially accurate, in the context of the flyer as a whole, along with other available information suggesting the statement in isolation is misleading and false, the statement is arguably defamatory as Costanza's request for a Wisconsin insurance license was not permanently or indefinitely denied. The court declines to find an innocent construction. The statement imputes that Costanza's request for a Wisconsin insurance license was permanently or indefinitely denied due to misconduct, that he lacks integrity necessary to hold office, and prejudices him professionally by undermining his credibility in the eyes of his political and professional constituents. Substantial truth is an affirmative defenses rather than proof that Plaintiffs' suit is meritless.

**In 2010, the State of Indiana fined Costanza for a false application and revoked his insurance license.**

Costanza argues the inclusion of this statement is false and misleading. In his affidavit, Costanza notes that the findings by the Indiana Department of Insurance were the result of a paperwork error. He argues further that the documentation included as Exhibit N to Defendants' motion to dismiss evidences the fact that the proceedings before the Indiana Department of Insurance were civil in nature rather than criminal.

The statement at issue appears to be partially true and partially false or misleading. Exhibit N to Defendants' motion to dismiss confirms the Indiana Department of Insurance fined Costanza the sum of \$1,500.00 in connection with the filing of an application for insurance license which contained a false statement. The Indiana Insurance Department's order entered with Costanza's agreement. Importantly, the paperwork attached as Exhibit N to Defendants' motion to dismiss does not support the assertion that Costanza's Indiana insurance license was revoked. In the

STATE OF ILLINOIS  
IN THE CIRCUIT COURT OF THE SEVENTEENTH JUDICIAL  
DISTRICT BOONE COUNTY, ILLINOIS

RMS INSURANCE SERVICES, INC., )  
an Illinois corporation d/b/a FLANDERS )  
INSURANCE AGENCY, INC., and )  
OWEN G. COSTANZA, an individual, )

Plaintiffs, )

v. )

No. 2021 L 30

DONALD G. SATTLER, an individual, )  
MARION THORNBERRY, an individual, )  
ELISABETH M. RODGERS, an individual, and )  
CHERYL RUSSELL-SMITH, an individual, )

Defendants. )

AFFIDAVIT OF PLANTIFF OWEN COSTANZA

I, Owen G. Costanza, being sworn, on oath state:

1. I am one of the Plaintiffs in the above captioned matter.
2. I am over eighteen (18) years of age.
3. I have personal knowledge of the facts set forth in this affidavit.
4. If called to testify I can competently testify as to the matters set forth herein.
5. I am the owner of RMS Insurance Services, Inc. d/b/a Flanders Insurance Agency, Inc. ("Flanders") in Rockford, Illinois, and have been an insurance agent for 27 years.
6. Flanders is an independent agent for Chubb, Auto-Owners Insurance, Travelers, Liberty Mutual, The Hartford, Safeco, Encompass Insurance, Dunham & Chemung Mutual Insurance, Appalachian Underwriters, Inc., CNA, Blue Cross Blue Shield, Aetna, Delta Dental, and various other insurance companies.
7. I am currently a resident of Poplar Grove, Boone County, Illinois and have resided there for 17 years.
8. In April 2017, I was elected Village President of Poplar Grove, Illinois and served

~~EXHIBIT~~



until April 6, 2021 when I was defeated in a general election by my opponent, Defendant Donald Sattler.

9. During the last campaign and continuing until the date of this affidavit, Defendant Sattler has engaged the practice of making untrue allegations about me.
10. Prior to the April 2021 election Defendant Sattler served on a village zoning and planning commission.
11. On June 3, 2019, as Village President, I sent a letter to Defendant Sattler demanding his resignation from the Planning Zoning Commission because of derogatory remarks he made on May 27, 2019 in his capacity as a representative of the Village of Poplar Grove. The letter informed Defendant Sattler that if he did not tender his resignation, I would initiate the statutory procedures for his removal. Defendant Sattler was advised of his right to a public hearing. (A true and correct copy of the June 3, 2019 letter is attached hereto and incorporated by reference as **Plaintiffs' Affidavit EXHIBIT 1**).
12. Shortly thereafter Defendant Sattler began his campaign for Poplar Grove Village president as my opponent.
13. As part of his campaign, Defendant Sattler published a flyer that depicted me as a repeat criminal and maligned my reputation (the "False Flyer"). The False Flyer is titled "My Opponents Criminal Record Is:." (A copy of the False Flyer is attached as Exhibit 1 to Plaintiffs' Complaint, and attached hereto and incorporated by reference as **Plaintiffs' Affidavit EXHIBIT 2**).
14. The **EXHIBIT 2 False Flyer** contains numerous misleading falsehoods regarding me and my falsely characterized, so-called "criminal" record, including, without limitation, certain falsities as referenced and repeated as "Allegations #1 to 13" in the body of Defendants' Sattler, Thornberry and Rodgers Motion to Dismiss Complaint Under The Citizen Participation Act 735 ILCS 110/1, et seq ("Defendants' CPA Motion").
15. For example, the misdemeanor matter stated in the **EXHIBIT 2 False Flyer**, as the 1995 Filing a False Report (referenced as Allegation #1 in Defendants' CPA Motion"), was resolved with a \$150.00 fine, a term of public service and a twelve (12) month court supervision, which is not a conviction, as affirmatively stated in Defendants' own Exhibit G to Defendants' CPA Motion. This matter was later expunged by the State of Illinois Court on July 18, 2014 and approved by the Illinois State Police on August 12, 2014, over six (6) years before Defendants' publication and dissemination of the **EXHIBIT 2 False Flyer** in 2020 and 2021.
16. With respect to the "1999 Terminated from Liberty Insurance for Fraud Misrepresentation" matter stated in the **EXHIBIT 2 False Flyer** (referenced as Allegation #2 in Defendants' CPA Motion"), Defendants' own Exhibit H to its

CPA Motion, by their own admission contains only three pages. Defendants have not averred that this Exhibit H is the entire report. Moreover, the last page of Exhibit H expressly states:

“The Office of the Commissioner of Insurance will investigate these situations and take appropriate action based upon the investigation. Section 601.43(6), Wis. Stat provides immunity for the insurer from an action for damages or defamation in the absence of actual malice, as a result of filing this report.”

After such investigation of the matter I received my severance package and there was a finding of no fraud.

17. The misdemeanor matter stated in the **EXHIBIT 2 False Flyer**, as the 1999 Writing Bad Check (referenced as Allegation #3 in Defendants’ CPA Motion”), was for an over-draft check actually written by my ex-wife without my knowledge and which was not discovered by me until after my arrest in this matter, as my name was also on the account. I did, in fact, enter a guilty plea in January 2000, and the Court entered a “conditional discharge order and additional conditions order” disposition for the case.” At that time, some 22 years ago, I did not have the ability to afford a defense and entered into a plea agreement to put the matter behind me. This matter was later sealed by the State of Illinois Court on July 18, 2014 and approved by the Illinois State Police on August 12, 2014, over six (6) years before Defendants’ publication and dissemination of the **EXHIBIT 2 False Flyer** in 2020 and 2021.
18. The “2000 Home Foreclosure in Boone County ” matter stated in the **EXHIBIT 2 False Flyer** (referenced as Allegation #4 in Defendants’ CPA Motion”) is not a crime or evidence of criminal activity and/or a criminal matter, as falsely stated on the **EXHIBIT 2 False Flyer**. It is a civil matter.
19. The “2000 Completes Chapter 7 Bankruptcy Filed In 1996 As Chapter 13” matter stated in the **EXHIBIT 2 False Flyer** (referenced as Allegation #5 in Defendants’ CPA Motion”) is not a crime or evidence of criminal activity and/or a criminal matter, as falsely stated on the **EXHIBIT 2 False Flyer**. Bankruptcy is a civil matter.
20. With respect to the “2007 Pleads Guilty for Drunk Driving Winnebago County” matter stated in the **EXHIBIT 2 False Flyer** (referenced as Allegation #6 in Defendants’ CPA Motion”), I received court supervision, not a conviction.
21. With respect to the “2008 Wisconsin DOI [Department of Insurance] Denies Insurance License for False Application” matter stated in the **EXHIBIT 2 False Flyer** (referenced as Allegation #7 in Defendants’ CPA Motion”), in applying for the Wisconsin license my office manager who filled out the application inadvertently checked the wrong “radio button” on the online application stating

no misdemeanors, but did disclose my record of 1995 and 1999 misdemeanors and attached printouts of records of the same on the application, as well. Once this was corrected the State of Wisconsin issued my license thirty one (31) days later. This was an administrative insurance application matter, not a criminal matter.

22. With respect to the “2010 Indiana DOI Fines Him \$1,500 False Application & Revokes Insurance License” matter stated in the **EXHIBIT 2 False Flyer** (referenced as Allegation #8 in Defendants’ CPA Motion”), once again my office manager who filled out the application (and who had also incorrectly filled out the 2008 Wisconsin application) checked the wrong button on the online application stating no misdemeanors, but did disclose my record of 1995 and 1999 misdemeanors and attached scanned printouts of records of the same on the Indiana application, as well. Again, this was a civil insurance application matter, not a criminal matter or a crime, as expressly evidenced by Defendants’ own Allegation #8 Exhibit N to Defendants’ CPA Motion, which clearly states the \$1,500 to be paid is a “civil penalty.”
23. With respect to the “2011 Terminated from RMS Services Group for Misappropriating Company Funds” matter stated in the **EXHIBIT 2 False Flyer** (referenced as Allegation #9 in Defendants’ CPA Motion”), the letter attached as Allegation #8 Exhibit O to Defendants’ CPA Motion, is a termination letter containing allegations made by RMS then President Rashid Sindhu. This matter was litigated in the Cook County Circuit Court in a case in which Mr. Sindhu was an adverse party against me and I now own the agency now known as RMS Insurance Services, Inc. d/b/a Flanders Insurance Agency, Inc. No criminal charges were made against me, nor was I arrested in connection with this matter. This was a civil matter, not criminal, as falsely stated on the **EXHIBIT 2 False Flyer**.
24. With respect to the “2012 Answers Fraudulently Again on Illinois DOI License Renewal Application” matter stated in the **EXHIBIT 2 False Flyer** (referenced as Allegation #10 in Defendants’ CPA Motion”), once again Defendants’ own Exhibit evidences that falsity of Defendants’ claim in the **EXHIBIT 2 False Flyer** that this was a criminal matter. Defendants’ Allegation #10 Exhibit P to Defendants’ CPA Motion, which is an Order of Dismissal and Stipulation and Consent Order from the State of Illinois Department of Insurance, shows that this civil - not criminal matter - was dismissed.
25. A June 3, 2013, email from Mike Herndon, the Director of Fraud Investigations and Security Coordinator for Consumer Protection for the Indiana Department of Insurance (“Indiana DOI”) confirmed the Indiana DOI’s finding that I was never convicted of a felony and discussed other non-criminal, civil matters in the email (which were falsely stated on the **EXHIBIT 2 False Flyer** to be criminal and evidence of my “criminal record”):

“Mr. Costanza was not convicted of a felony. In 1995 he entered a plea of guilty to filing a false report in Boone County, Illinois, a Class B misdemeanor; judgment was withheld. In 1999 he entered a plea of guilty to writing a bad check (\$300.00), a Class A misdemeanor, also in Boone County. In 1995 Costanza was terminated for cause from Liberty Mutual with allegations that he filed a false insurance claim for the theft of an automobile that he was alleged to have had a hand in ‘stealing.’ He denied the allegations and submits that the Illinois Department of Unemployment reviewed his dismissal and ruled that Liberty Mutual had insufficient evidence to support the allegation. In 2008 Costanza had a license application in the state of Wisconsin denied for thirty one (31) days. His application was denied for failure to disclose the above two criminal convictions and for failing to disclose his termination for cause from Liberty Mutual. Please advise if you need anything else. Mike Herndon.”

(See the Herndon email attached hereto and incorporated by reference as **Plaintiffs’ Affidavit EXHIBIT 3**).

26. With respect to the “2014 DOI Investigates Numerous Complaints by Insurance Customers, Past Terminations, Criminal History, Unlawful Fund Withdrawals, and Fines & Discipline from Wisconsin and Indiana (IL-14-HR-0482 & IN-934-AG10-8031-135)” matter stated in the **EXHIBIT 2 False Flyer** (referenced as Allegation #11 in Defendants’ CPA Motion”), once again Defendants’ own Exhibit evidences the falsity of Defendants’ claim in the **EXHIBIT 2 False Flyer** that this was a criminal matter. Defendants’ Allegation #11 Exhibit Q to Defendants’ CPA Motion, which is an Order of Dismissal and Stipulation and Consent Order from the State of Illinois Department of Insurance, also shows that this civil - not criminal matter - was dismissed.
27. With respect to the “2014 Illinois DOI Revokes Insurance Business License for Major Agency Violations” matter stated in the **EXHIBIT 2 False Flyer** (referenced as Allegation #12 in Defendants’ CPA Motion”), once again Defendants’ own Exhibits evidence the falsity of Defendants’ claim in the **EXHIBIT 2 False Flyer** that this was a criminal matter. Defendants’ Allegation #12 Exhibit Q to Defendants’ CPA Motion, which is an Order of Dismissal and Stipulation and Consent Order from the State of Illinois Department of Insurance, also shows that this civil - not criminal matter - was dismissed. Additionally, Defendants’ Exhibits P and Q to its CPA Motion both show that the business entity’s license was revoked for RMS Insurance Services, Inc. d/b/a Alliance Insurance Agency (not RMS Insurance Services, Inc. d/b/a Flanders Insurance Agency, Inc.). This Alliance Insurance Agency was the same business entity that terminated my employment and that I litigated in the Circuit Court of Cook County against its former President Rashid Sindhu, in which Mr. Sindhu was an adverse party. My individual license was not revoked. Again, this was a civil matter, not criminal, as falsely stated by Defendants on the **EXHIBIT 2 False Flyer**.



28. With respect to the "2015 Illinois DOI Disciplines and Fines Him \$30,000.00 for Multiple Repeat Violations" matter stated in the **EXHIBIT 2 False Flyer** (referenced as Allegation #13 in Defendants' CPA Motion"), once again Defendants' own Exhibit evidences the falsity of Defendants' claim in the **EXHIBIT 2 False Flyer** that this was a criminal matter. Defendants' Allegation #13 Exhibit Q to Defendants' CPA Motion, which is an Order of Dismissal and Stipulation and Consent Order from the State of Illinois Department of Insurance, yet again shows that this civil - not criminal matter - was dismissed. As expressly evidenced by Defendants' own Allegation #13 Exhibit Q to Defendants' CPA Motion and as stated in Defendants' Motion, the \$30,000 to be paid is a "civil penalty," not a criminal penalty, not a crime, and not evidence of criminal activity and/or a "criminal record," as falsely stated on the **EXHIBIT 2 False Flyer**.

29. I have never been charged by information, indicted, arrested, tried, or convicted for insurance fraud, as falsely stated by Defendants on the **EXHIBIT 2 False Flyer**. The Illinois Criminal Code defines Insurance Fraud at 720 ILCS 5/17-10.5, as follows:

"Sec. 17-10.5. Insurance Fraud.

(a) Insurance fraud.

(1) A person commits insurance fraud when he or she knowingly obtains, attempts to obtain, or causes to be obtained, by deception, control over the property of an insurance company or self-insured entity by the making of a false claim or by causing a false claim to be made on any policy of insurance issued by an insurance company or by the making of a false claim or by causing a false claim to be made to a self-insured entity, intending to deprive an insurance company or self-insured entity permanently of the use of the property."

At most, the aforementioned false and misleading allegations in the **EXHIBIT 2 False Flyer** with respect to claims of insurance fraud are civil matters that were all resolved and I still hold licenses for insurance in Illinois as well as Wisconsin, Ohio, Iowa, Kentucky, Florida, and Montana.

30. I currently possess a valid Illinois Firearm Owner Identification card ("FOID"). In order to receive the privilege of a FOID card I had to pass a criminal background check conducted by the Illinois State Police.
31. I currently possess a valid concealed carry permit ("CCP"). In order to receive the privilege of CCP I had to pass a criminal background check conducted by the Illinois State Police.
32. As part of his 2021 campaign for Village President of Poplar Grove, Defendant

- Sattler produced several videos which he posted online wherein he attacked my reputation and set forth what he falsely stated was my criminal history.
33. As of the afternoon of March 3, 2022, over ten (10) months after the Poplar Grove election, Defendant Sattler's videos are still available for public viewing on his youtube.com page.
  34. Defendant Marion Thornberry formerly worked for me at a local trucking company, Cherry Valley Express, from 2010- 2011.
  35. On or about August 1, 2011, I terminated Defendant Thornberry's employment.
  36. From that date to present, Defendant Thornberry has been a constant antagonist toward me personally and my business.
  37. Defendant Thornberry has made statements and circulated written material regarding me that are untrue. As of March 3, 2022, examples of such statements were still available and posted on Defendant Thornerry's Facebook page, over ten (10) months after the Poplar Grove election.
  38. Among the platforms Defendant Thornberry has used to spread false statements is the Marion L. Thornberry Facebook page, where he has repeatedly posted certain statements that are untrue, not the least of which is that I am going to be arrested soon.
  39. In 2017, I defeated Defendant Thornberry for the position of Treasurer of the Boone County Republican Club. Soon after, Defendant Thornberry started falsely representing that I was corrupt and a criminal who was not eligible to hold an elected or appointed position.
  40. Defendant Thornberry has repeatedly made false allegations about me to many local authorities, including, without limitation, the Boone County State's Attorney, the State Representative, the State Senator, and others in attempts to have me removed and banned from holding office. Defendant Thornberry has gone to two separate States Attorneys and the Village of Poplar Grove attorney falsely alleging that I was committing crimes and should be removed from all political offices, with no charges ever being filed and/or my removal from office ever occurring after the result of investigation of such false allegations by the authorities in each and every instance.
  41. Defendant Thornberry's false allegations appeared frequently and regularly on social media, where he falsely called me a habitual criminal and accused me of insurance fraud and other criminal acts.
  42. After I was defeated in the Poplar Grove Village Presidential election in April 2021, Defendant Thornberry continued to post false statements, including false

allegations that I was being investigated and my imminent arrest was forthcoming. Defendant Thornberry continues to “troll” me on social media pages falsely accusing me of criminal acts.

43. Defendant Lisa Rodgers has repeatedly attacked me, including, without limitation, through the circulation throughout the Village of Poplar Grove, online and on social media to the public at large, of falsities about me and my business, including, without limitation, **Plaintiffs’ Affidavit EXHIBIT 2 False Flyer**, and the institution of a series of FOIA requests to look into my past as part of the campaign to harass me and interfere with my business.
44. Defendant Rodgers began to criticize and make false accusations against me and Flanders at the time Defendant Rodgers worked for Broadmoor Agency, Inc., an insurance company competitor of Flanders, and also an agent for the Village of Poplar Grove and related local entities.
45. Defendant Rodgers spread these false statements as an employee of Broadmoor.
46. Defendant Rodgers falsely complained to her Broadmoor employers that I was using my position of power to wrongly and illegally enrich myself, including, without limitation, taking improper and illegal commissions through Flanders from insurance provided by Broadmoor to both a local not-for-profit food pantry, and the Capron Rescue Squad. After being told by both her former Broadmoor employer and officials of the Village that neither I nor Flanders received any such commissions, she nevertheless continued to insist that I and Flanders were being paid commissions for that business.
47. Defendant Rodgers then called the Poplar Grove Village Attorney falsely accusing me of harassing her at work and trying to get her fired, demanding that I be charged and disciplined for ethics violations and wrongdoing for being the agent for the local food pantry and the rescue squad, again falsely alleging that I and Flanders were taking improper and illegal commissions in connection therewith when she knew they were not. After investigation by the Village Attorney, however, no charges were filed or disciplinary action was taken against me or Flanders for such false allegations.
48. On or about June 1, 2021, after the April 6, 2021 Poplar Grove election, Defendant Rodgers then filed a false complaint against me and Flanders with the Illinois Department of Insurance based on her allegations relating to the Village of Poplar Grove, food pantry, and rescue squad insurance, which upon information and belief she knew were false, and which false complaint was also later dismissed by the Illinois Department of Insurance after its investigation of the false allegations.
49. Defendant Rodgers continued her smear campaign against me and Flanders by regularly publishing a series of false and inflammatory statements online about us

in her blog, The Rhubarb Daily News (referred to as The Rhubarb Report in Plaintiffs' Complaint), including, without limitation, the posting of **Plaintiffs' Affidavit EXHIBIT 2 False Flyer** on the blog, as part of Defendants' campaign to harass me and interfere with my business).

50. After I was defeated in the Poplar Grove Village Presidential election in April 2021, Defendant Rodgers continued to post false statements about me and Flanders.
  51. After the election, I began receiving telephone calls from residents of Poplar Grove and Flanders' potential and current customers asking about the falsely alleged insurance fraud investigations against me.
  52. Since the April 6, 2021 election to the date of this affidavit, Plaintiffs have lost the following customers and at least \$28,000.00 in related annual revenue premiums, including, without limitation:
    - (a) Pumila Family Dental, a customer for twelve (12) years;
    - (b) Farley Properties, a customer for ten (10) years;
    - (c) Panda Garden, a customer for ten (10) years; and
    - (d) Arturo's Mexican Restaurant, a customer for five (5) years.
- These businesses were all falsely called "pay to play" by Defendant Sattler on online posts, which are still up for public view.
53. Attached hereto as **Plaintiffs' Affidavit EXHIBIT 4** is the Belvidere school district quote. Things were going well with that business until Defendant Rodgers made FOIA requests on government entities and continued in her attacks against me, after which time and FOIA requests Belvidere School District ceased communications with me and I and Flanders lost the opportunity to write the insurance for the Belvidere School District.
  54. I have been unable to sell insurance to any public entity in Boone County since Defendants have persisted in their campaign of harassment against me, even after I lost the election in April 2021 and continuing through at least March 3, 2022.
  55. On Friday, February 25, 2022, Jonathan Odejht, a candidate for Illinois State Representative, told me that on Saturday, February 19, 2022, at the Northern Illinois Republican Women meeting, Defendant Sattler showed him the **EXHIBIT 2 False Flyer** referenced above containing the false allegations and told Mr. Odejht about my falsely-alleged "criminal history," which Defendant Sattler had on his cell phone. February 19, 2022 is over ten (10) months days after Defendant Sattler defeated me in the Poplar Grove election.

FURTHER AFFIANT SAYETH NOT.



OWEN G. COSTANZA, individually, and  
as President of RMS Insurance Services, Inc.  
d/b/a Flanders Insurance Agency, Inc.

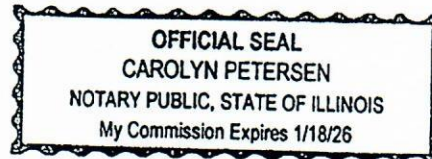
Plaintiffs

State of Illinois        )  
                                  )SS  
County of Boone        )

Subscribed to and Sworn before me

this 4 day of March, 2022.

  
\_\_\_\_\_  
Notary Public



My Commission expires: 01/18/2026.

TIMOTHY P. DONOHUE (Attorney # 6211693)  
228 West Main Street  
Barrington, Illinois 60010  
Phone: (312) 929-9529  
Facsimile: (855) 231-9350  
Email: tpd@aol.com

Exhibit 1 – 1995 – Pleads Guilty to Filing False Police Report

Boone County, IL | Case Information

Page 1 of 2

## Boone County, IL

1995CM170 COSTANZA, OWEN G | Last Search | Information | Dispositions | History | Payments | Fines & Fees

### Case Information

Case	1995CM170	Last Update	06/13/2000	Last Upload
Case Category	Criminal	Case Type - Subtype	CM -	Criminal Misdemeanor
Other Litigants	None			

### Litigant Information

Full Name	COSTANZA, OWEN G			
Date of Birth	03/31/1972	Role	Defendant/Respondent	Physical File Location
Impounded	No	Initial Open Date	04/21/1995	Initial Close Date
Suppress Minutes	No	Reopen Date		Reclose Date
Arresting Officer	GARDNER, OFFICER PATRICK			

### Identification

Gender	Male	Height	Weight	Eye Color	Hair Color
Address					
Street 1	106 WENATCHEE WAY				
City	POPLAR GROVE	State	IL	Postal Code	
Country					

### Phone Numbers

None

### Hearings

Type	Date	Time	Judge
35 - Status hearing	08/30/1996	09:30	HOLMGREN

[http://www.judici.com/courts/cases/case\\_information.jsp?court=IL0040151&oc1=IL00401...](http://www.judici.com/courts/cases/case_information.jsp?court=IL0040151&oc1=IL00401...)

EXHIBIT

D

tabbles

## Boone County, IL

1995CM170 - GOSTANZA, OWEN G [Last Search](#) | [Information](#) | [Dispositions](#) | [History](#) | [Payments](#) | [Fines & Fees](#)

Name	No.	Qualifier	Desc	Type	Date	Plea	Status
Count	1						
Charge	1	None	FALSE REPORT OF OFFENSE	Original		Guilty	Class B Misdemeanor
Disposition 1			403 - Withhold Judgment/Supervision		07/13/1995		
Sentence 1			208 - Supervision	12 months	07/13/1995		In Force
Sentence 2			301 - Fine		07/13/1995		In Force
Sentence 3			209 - Public Service	20 hours	07/13/1995		In Force

## Boone County, IL

1995CM170 - COSTANZA, OWEN G

Last Search | Information | Dispositions | History | Payments |  
Fines & Fees

Date	Entry	Judge
	Entered Under: COSTANZA, OWEN G	
08/30/1996	Def not ps. St. by Haughan. Court is adv that the def has complied with conditions of CS. Case is removed from call.	JRH
07/25/1996	Def. ps. Case called on for Stay On Warrant. Court hears and grants same. On oral motion of def., Court orders cas cont. to 8/30/96 at 9:30 a.m. for Status On Public Service Work. All parties notified of date in open court.	JRH
07/12/1996	Def not ps. St. by Haughan. Court is adv that an Attorney from Chicago req a cont. Court orders BW with bond set at \$3,000.00 and at the req of State to be stayed until 7-25-96 at 9:00 a.m. Status hearing set for 07/25/1996 at 09:00 in courtroom C.	JRH
06/27/1996	Notice Motion To Revoke Court Spervision Order Notice to appear set for 07/12/1996 at 09:00 in courtroom C.	UNASSIGNED
07/13/1995	Def ps for arraign. Atty. Charles Sewell enters his appearance. St. by Hursh. Def enters a plea of Guilty. Pursuant to agree the def is placed on CS for one year and assessed fine and costs of \$150.00 to be pd by 9-14-95. The def shall perform 20 hours PSW at the direc tion of Probation. Guilty Plea CS ORDER Pay or appear set for 09/14/95 at 09:00 in courtroom C.	JRH
06/30/1995	Bail Bond For Appearance of Defendant \$100.00.	UNASSIGNED
06/09/1995	Def ps for arraign. Atty. Sewell enters his appearance. St. seeking jail time. Def enters a plea of NG. Case set for PTC on 7-13-95 at 1:30 p.m. Pre-trial set for 07/13/95 at 01:30 in courtroom C.	RJF
06/02/1995	Warrant returned served. Arraignment set for 06/09/95 at 09:00 in courtroom C.	UNASSIGNED
04/21/1995	Warrant issued.	UNASSIGNED



**Exhibit 1 – 1999 – Terminated from Liberty Insurance for Fraud Misrepresentation**



State of Wisconsin  
 Office of the Commissioner of Insurance  
 Agent Licensing Section  
 P.O. Box 7872  
 Madison, WI 53707-7872  
 (608) 268-8889  
 oclagt@mail.state.wi.us

Ref: Sections 628.11 and 601.42 (1) (a), Wis. Stat.  
 Section Ins. 6.57, Wis. Adm. Code

**INSTRUCTIONS:** Type or print all required information into space provided and return to above address. This form must be filed within 15 calendar days following agent termination. You can utilize this form for up to five (5) company terminations per agent. Submission of this form constitutes company certification that each agent was properly listed with your company. No fees are required for terminations. Fill in date of mailing at bottom of page. Validation and reject reports will be mailed directly to the company address on file. If a report is not received by your company on any or all agents identified within 30 days, please resubmit.

Company Name	OCI Company Number
Liberty Insurance Corporation	03-0316876

Agent Name(s): Last, First, Middle Initial	Wisconsin Agent License Number	Termination/Problem Code(s) (follow instructions on reverse side)
COSTANZA, OWEN	02359827	15 i7

Over

Date Mailed 03/08/2000

OCI 14.01 (IR 10/99)



### INSTRUCTIONS FOR COMPLETION OF NOTICE OF TERMINATION FORM

List all codes describing complaints received or problems experienced by your company involving the agent(s) and all codes indicating reason(s) for termination.

If any of the codes 10 through 19 are identified, complete explanations and documentation must be attached to this form. This documentation need not prove violations, but should include situation where possible violations exist.

The Office of the Commissioner of Insurance will investigate these situations and take appropriate action based upon the investigation. Section 601.42 (6), Wis. Stat., provides immunity for the insurer from an action for damages or defamation in the absence of actual malice, as a result of filing this report.

If your company discovers any problem regarding an agent following submission of this form, supplemental information, including documentation must be promptly forwarded to the Agent Licensing Section.

If Code 21 is identified, a complete explanation must be attached to this form.

If Code 05 is identified, additional documentation must be attached to substantiate the death such as an obituary, newspaper article, death certificate, or a letter from the company identifying the date of death.

### CODES FOR PROBLEMS EXPERIENCED AND TERMINATION INFORMATION

- |    |   |
|----|---|
| 01 | Voluntary Termination                               |
| 02 | Inadequate Production                               |
| 03 | Cancelled by General Agent                          |
| 05 | Death   |
| 08 | Company Defunct or Liquidation                      |
| 10 | Company Indebtedness                                |
| 13 | Forgery   |
| 14 | Altering Policies                                   |
| 15 | Fraud   |
| 16 | Misappropriation                                    |
| 17 | Misrepresentation                                   |
| 18 | Failure to Promptly Submit Applications or Premiums |
| 19 | Poor Policyholder Service                           |
| 21 | Other   |

The Company believes the agent in question filed a fraudulent claim on a vehicle he owned that was insured by the Liberty Mutual Companies, in the state of Illinois.

ROA SUMMARY  2007-DT-0000070 People of the State of Illinois vs. OWEN G COSTANZA CASE STATUS  Closed pending clerk action - Feb 27, 2007

DEFENDANT Owen C Costanza   
 SORT DATE Ascending Descending

*DATE SEALED	03/24/2008	*JUDGE CODE	**Lucas, Richard CONVERSION	MICROFILM NUMBER
*TEXT	ACA Joseph Bruscato appears for the City. Defendant not present. Fines and costs paid in full. Petition to vacate dismissed on motion of the City. Clerk TLG			
*DATE SEALED	03/06/2008	*JUDGE CODE	**Lucas, Richard CONVERSION	MICROFILM NUMBER
*TEXT	Court Ordered Payments Fee 912.00 Amt 912.00 Defendant's Attorney Sewell Charles T Clerk MLN			
*DATE SEALED	02/12/2008	*JUDGE CODE	**Lucas, Richard CONVERSION	MICROFILM NUMBER
*TEXT	PETITION TO VACATE COURT SUPERVISION FILED BY PET/VACATE CSV 03/24/2008 2:00 pm Rm C Reporter NONE PRESENT Clerk EB			
*DATE SEALED	11/08/2007	*JUDGE CODE	**Lucas, Richard CONVERSION	MICROFILM NUMBER
*TEXT	Court Ordered Payments Fee 152.00 Amt 152.00 Defendant's Attorney Sewell Charles T Clerk DR			
*DATE SEALED	08/30/2007	*JUDGE CODE	**Lucas, Richard CONVERSION	MICROFILM NUMBER
*TEXT	Court Ordered Payments Fee 152.00 Amt 152.00 Defendant's Attorney Sewell Charles T Clerk DK			
*DATE SEALED	08/06/2007	*JUDGE CODE	**Lucas, Richard CONVERSION	MICROFILM NUMBER
*TEXT	Accounting Adjustment Defendant's Attorney Sewell Charles T Clerk TGL			
*DATE SEALED	07/13/2007	*JUDGE CODE	**Lucas, Richard CONVERSION	MICROFILM NUMBER
*TEXT	Court Ordered Payments Fee 152.00 Amt 152.00 Defendant's Attorney Sewell Charles T Clerk SJW			
*DATE SEALED	06/25/2007	*JUDGE CODE	**Lucas, Richard CONVERSION	MICROFILM NUMBER
*TEXT	Court Ordered Payments Fee 1,520.00 Amt 152.00 Defendant's Attorney Sewell Charles T Clerk DR			
*DATE SEALED	05/17/2007	*JUDGE CODE	**Lucas, Richard CONVERSION	MICROFILM NUMBER
*TEXT	Court Ordered Payments Fee 1,672.00 Amt 152.00 Clerk DR			
*DATE SEALED	04/23/2007	*JUDGE CODE	**Lucas, Richard CONVERSION	MICROFILM NUMBER
*TEXT	CHECK RETURNED TO DEPT. IT IS COMPUTER GENERATED.			



*TEXT	Clerk RJE			
*DATE SEALED	03/13/2007	*JUDGE CODE	**Lucas, Richard CONVERSION	MICROFILM NUMBER
*TEXT	Court Ordered Payments: Fee 152.00 Amt 152.00 Clerk SJT			
*DATE SEALED	03/08/2007	*JUDGE CODE	**Lucas, Richard CONVERSION	MICROFILM NUMBER
*TEXT	Court Ordered Payments: Bond Used Fee 1,914.00 Amt 90.00 Bond used Clerk MKC			
*DATE SEALED	02/27/2007	*JUDGE CODE	**Lucas, Richard CONVERSION	MICROFILM NUMBER
*TEXT	COURT SUPERVISION ORDER FILED Reporter NONE PRESENT Clerk CC7			
*DATE SEALED	02/27/2007	*JUDGE CODE	**Lucas, Richard CONVERSION	MICROFILM NUMBER
*TEXT	Disposition 01:00 Count 001 Fine & Cost Total Disposition Withheld Judgment/Supervision DRVG UNDER INFLU OF ALCOHOL Disposition Type Court Action Defendant Plea Guilty Statute 625 5/11-501(a)(2) Class A Orig. Sentence 02/27/2007 Sentence Fines and/or Cost/Penalties and Fees Sentence In Force Sentence Supervision 12Mos Sentence In Force Sentence Alcoholism Treatment Sentence In Force Sentence DUI School/VICTIM IMPACT PANEL Sentence In Force Fine & Cost Total 1914.00 Signed Clerk MKC			
*DATE SEALED	02/27/2007	*JUDGE CODE	**Lucas, Richard CONVERSION	MICROFILM NUMBER
*TEXT	Disposition 02:00 Count 002 No Fine & Cost Disposition Dismiss/State Motion DRVG UNDER INFLU/BAC 0.08 Disposition Type Court Action Defendant Plea No Plea Entered Statute 625 5/11-501(a)(1) Class A Orig. Sentence 02/27/2007 No Fine & Cost .00 Signed Clerk CC7			
*DATE SEALED	02/27/2007	*JUDGE CODE	**Lucas, Richard CONVERSION	MICROFILM NUMBER
*TEXT	GUILTY PLEA FILED Reporter NONE PRESENT Clerk CC7			
*DATE SEALED	02/27/2007	*JUDGE CODE	**Lucas, Richard CONVERSION	MICROFILM NUMBER
*TEXT	JDP ORIGINAL FILED Reporter NONE PRESENT Clerk CC7			
*DATE SEALED	02/27/2007	*JUDGE CODE	**Lucas, Richard CONVERSION	MICROFILM NUMBER
*TEXT	JDP SENT TO SOS Reporter NONE PRESENT Clerk CC7			
*DATE SEALED	02/27/2007	*JUDGE CODE	**Lucas, Richard CONVERSION	MICROFILM NUMBER
*TEXT	LETTER FROM EMPLOYER FILED Reporter NONE PRESENT Clerk CC7			
*DATE SEALED	02/27/2007	*JUDGE CODE	**Lucas, Richard CONVERSION	MICROFILM NUMBER
*TEXT	PETITION FOR JDP FILED Reporter NONE PRESENT Clerk CC7			
*DATE	02/27/2007	*JUDGE	**Lucas, Richard	MICROFILM NUMBER

\*TEXT Agency ROCKFORD Ticket# 876336  
Clerk GA

\*DATE 01/16/2007 \*JUDGE \*\*Lucas, Richard MICROFILM NUMBER  
SEALED CODE CONVERSION  
\*TEXT From bond Bond on companion case

\*DATE 01/16/2007 \*JUDGE \*\*Lucas, Richard MICROFILM NUMBER  
SEALED CODE CONVERSION  
\*TEXT warning to motorist not filed  
Clerk GA

# *Wisconsin*

---

## *Insurance Report*

Jim Doyle  
Governor

Sean Dilweg  
Commissioner of Insurance

---

Business of  
2008



*Our Mission. . .*

**Leading the way in informing and  
protecting the public  
and  
responding to their insurance needs**



SEALED CODE CONVERSION

PLEA OF GUILTY W/ ATTORNEY  
People of the State of Illinois present by Assistant State's  
Attorney, CITY ATTORNEY. Defendant appears with Atty Sewell.  
Charges read, rights and possible penalties explained. Defendant  
pleads guilty to 07/DI70. Jury waived, no judgment of conviction  
entered. Defendant sentenced to 12 mts; CTSV, VIP, Counseling,  
F&C=\$1,914.00. Apply any bond. Petition for rescind SSS is  
w/drawn. Petition for JDP is heard and granted.  
COURT SUPERVISION 02/27/2008 5 00 pm Rm C  
Reporter NONE PRESENT  
Clerk CC7

\*DATE 02/22/2007 \*JUDGE \*\*No Judge MICROFILM NUMBER  
SEALED CODE CONVERSION

\*TEXT MOTION FOR DISCOVERY Filed  
Clerk WBW

\*DATE 02/22/2007 \*JUDGE \*\*No Judge MICROFILM NUMBER  
SEALED CODE CONVERSION

\*TEXT REQUEST FOR HEARING TO RESCIND SUMMARY SUSPENSION OR FOR ISSUANCE OF  
JUDICIAL DRIVING PERMIT Filed  
Clerk ACP

\*DATE 02/13/2007 \*JUDGE \*\*Lucas, Richard MICROFILM NUMBER  
SEALED CODE CONVERSION

\*TEXT ARRAIGNMENT- PLEA OF NOT GUILTY W/ATTORNEY-NOTICE GIVEN  
City of Rockford present by ACA, Angela Hammer. Defendant appears  
with Atty Sewell. Defendant waives arraignment and enters a plea  
of not guilty. On defendants motion case is continued for SSS.  
Notice given.  
STAT SUMMRY SUSPENSN 02/27/2007 1 30 pm Rm 215  
Reporter NONE PRESENT  
Clerk CC7

\*DATE 02/02/2007 \*JUDGE \*\*Kennedy, J. Todd MICROFILM NUMBER  
SEALED CODE CONVERSION

\*TEXT DRUG AND ALCOHOL EVAL FILED

\*DATE 01/26/2007 \*JUDGE \*\*Lucas, Richard MICROFILM NUMBER  
SEALED CODE CONVERSION

\*TEXT CONFIRMATION OF STATUTORY SUMMARY SUSPENSION RECEIVED  
Clerk KAF

\*DATE 01/22/2007 \*JUDGE \*\*Lucas, Richard MICROFILM NUMBER  
SEALED CODE CONVERSION

\*TEXT APPEARANCE OF ATTORNEY Filed  
Clerk ACP

\*DATE 01/19/2007 \*JUDGE \*\*Lucas, Richard MICROFILM NUMBER  
SEALED CODE CONVERSION

\*TEXT WARNING TO MOTORIST FILED.  
Clerk BG

\*DATE 01/16/2007 \*JUDGE \*\*Lucas, Richard MICROFILM NUMBER  
SEALED CODE CONVERSION

\*TEXT Bond Type Bond On Companion Case  
Bail .00  
ARRAIGNMENT 02/13/2007 9 00 am Rm 215  
Clerk GA

\*DATE 01/16/2007 \*JUDGE \*\*Lucas, Richard MICROFILM NUMBER  
SEALED CODE CONVERSION

\*TEXT Bond Type Cash 10% Deposit Bond  
Bail 100.00 Bond 1,000.00  
ARRAIGNMENT 02/13/2007 9 00 am Rm 215  
Clerk EB

\*DATE 01/16/2007 \*JUDGE \*\*Lucas, Richard MICROFILM NUMBER  
SEALED CODE CONVERSION

\*TEXT Complaint 01 Count 001 DRVG UNDER INFLU OF ALCOHOL  
Statute 625 5/11-501(a)(2) Class A Orig.  
Agency ROCKFORD Ticket# 876335  
Clerk EB

\*DATE 01/16/2007 \*JUDGE \*\*Lucas, Richard MICROFILM NUMBER  
SEALED CODE CONVERSION

\*TEXT Complaint 02 Count 002 DRVG UNDER INFLU/BAC 0.08

**Secretaries of State\***

Ex Officio Commissioners of Insurance

Name	Residence	From	Term To
Llewelyn Breese	Prairie du Chien	January 3, 1870	January 5, 1874
Peter Doyle	Prairie du Chien	January 5, 1874	January 7, 1878
Hans B. Warner	Ellsworth	January 7, 1878	April 1, 1878

**Commissioners of Insurance**

Philip L. Spooner	Madison	April 1, 1878	January 3, 1887
Philip Cheek, Jr.	Baraboo	January 3, 1887	January 5, 1891
Wilbur M. Root	Sheboygan	January 5, 1891	January 7, 1895
William A. Fricke	Milwaukee	January 7, 1895	October 15, 1898
Emil Giljohann	Milwaukee	October 15, 1898	January 5, 1903
Zeno M. Host	Milwaukee	January 5, 1903	January 1, 1907
George E. Beedle	Embarrass	January 7, 1907	January 2, 1911
Herman L. Ekern	Whitehall	January 2, 1911	July 1, 1915
M. J. Cleary	Blanchardville	July 1, 1915	April 10, 1919
Plat Whitman	Highland	April 10, 1919	July 17, 1923
W. Stanley Smith	Ashland	July 17, 1923	June 2, 1926
Olaf H. Johnson	Gratiot	June 2, 1926	January 10, 1927
M.A. Freedy	Wauwatosa	January 10, 1927	July 1, 1931
H. J. Mortensen	New Lisbon	July 1, 1931	October 1, 1939
Morvin Duel	Fond du Lac	October 1, 1939	August 8, 1948
J. L. Sonderegger	Madison	October 1, 1948	December 1, 1948
John R. Lange	Madison	December 1, 1948	July 15, 1955
Alfred Van DeZande	Campbellsport	July 15, 1955	November 1, 1955
Paul J. Rogan	Ladysmith	November 1, 1955	July 2, 1959
Charles Manson	Wausau	July 2, 1959	September 15, 1965
Robert D. Haase	Marinette	September 15, 1965	September 7, 1969
S. C. DuRose	Madison	October 1, 1969	April 8, 1975
Harold R. Wilde	Madison	April 8, 1975	March 18, 1979
Susan M. Mitchell	Madison	March 19, 1979	July 31, 1982
Ann J. Haney	Madison	August 1, 1982	February 28, 1983
Thomas P. Fox	Madison	March 1, 1983	April 27, 1987
Robert D. Haase	Marinette	April 28, 1987	December 31, 1992
Josephine W. Musser	Madison	March 8, 1993	January 2, 1998
Randy Blumer	Madison	January 6, 1998	January 2, 1999
Connie L. O'Connell	Sun Prairie	January 4, 1999	January 6, 2003
Jorge Gomez	Milwaukee	February 17, 2003	December 18, 2006
Sean Dilweg	Madison	January 1, 2007	

\*By chapter 56, section 32, General Laws of 1870, the Secretary of State was Commissioner of Insurance ex officio until 1878. The Office of the Commissioner of Insurance was made elective in 1881. In 1911 the office was made appointive instead of elective.



State of Wisconsin / OFFICE OF THE COMMISSIONER OF INSURANCE

Jim Doyle, Governor  
Sean Dilweg, Commissioner

Wisconsin.gov

125 South Webster Street • P.O. Box 7873  
Madison, Wisconsin 53707-7873  
Phone: (608) 266-3585 • Fax: (608) 266-9935  
E-Mail: [ociinformation@wisconsin.gov](mailto:ociinformation@wisconsin.gov)  
Web Address: [oci.wi.gov](http://oci.wi.gov)

The Honorable Jim Doyle  
Governor, State of Wisconsin  
115 E. State Capitol  
Madison, WI 53702

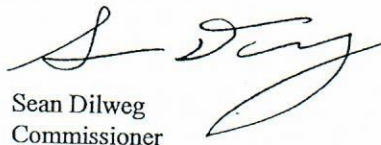
Dear Governor Doyle:

I am pleased to submit the 140th *Wisconsin Insurance Report* covering 2008.

Wisconsin's tradition of sound regulation, combined with strong consumer protections, continued over the past year. Highlights of the Office of the Commissioner of Insurance's (OCI) accomplishments and innovations are as follows:

- Examined more than 50 domestic insurers' financial statements and market conduct practices.
- Worked with the National Association of Insurance Commissioners (NAIC) on regulatory issues related to financial guaranty insurers.
- Continued close monitoring of the impact of the economic downturn on Wisconsin's domestic insurers. Working with other states, we effectively addressed insurer financial reporting requirements.
- Worked with the NAIC to develop a white paper on climate change. At the urging of OCI and other states, the NAIC adopted the Climate Change Disclosure Survey to collect substantive information about the risks posed by climate change to insurers and what actions the insurers have taken in response to those risks. This is the first mandatory climate disclosure required by any regulator.
- Adoption of administrative rules to implement the Long-Term Care Insurance Partnership Program in Wisconsin. The rules describe training requirements for agents and companies who wish to market Partnership plans.
- Joined the Interstate Insurance Product Regulation Commission (IIPRC).

Sincerely,

  
Sean Dilweg  
Commissioner

## Introduction

Every individual and business in Wisconsin depends upon insurance. Whether it is auto, home, life, commercial, or health, insurance plays an important role in people's lives. The Office of the Commissioner of Insurance (OCI) was created by the legislature in 1870 and vested with broad powers to ensure that the insurance industry meets the insurance needs of Wisconsin citizens responsibly and adequately.

The importance of fair, effective, and timely regulation of the insurance industry offers OCI a special challenge in meeting its public mission of leading the way in informing and protecting the public and responding to their insurance needs.

The major functions of the office include:

- Evaluating insurance policies that are sold in Wisconsin to determine if they meet the requirements of Wisconsin's laws.
  - Conducting financial examinations of domestic and foreign insurers to assure compliance with Wisconsin regulations and rules.
  - Monitoring the financial status of licensed companies and applicant companies to provide early warning of financial difficulty.
  - Issuing licenses to companies, agents, brokers, surplus lines brokers, managing general agents, reinsurance brokers and managers, and organizations including employee benefit plan administrators.
  - Examining and analyzing rates filed by insurance companies to determine if they are excessive, inadequate, or unfairly discriminatory.
  - Investigating and processing consumer complaints against agents and insurance companies and attempting to bring the matter to a fair and reasonable conclusion.
  - Researching special insurance problems through data collection and analysis and publishing conclusions and recommendations in special reports.
  - Developing legislation and promulgating administrative rules that ensure a strong insurance market through proactive policy and skillful enforcement.
  - Investigating and pursuing administrative actions against agents and insurers who violate Wisconsin insurance laws and regulations. Penalties include suspension or revocation of licenses and fines.
  - Conducting a comprehensive program of consumer education and public information to educate consumers about insurance through public speaking and distribution of information booklets and comparison guides.
  - Operating a state life insurance fund, a property fund for the property owned by local units of government, and a patients compensation fund insuring health care providers for medical malpractice.
-

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Billie Jo CasaDecalvo

1616 Stonepine Bay, Hudson, WI 54016

Has had her insurance license revoked and was ordered to never reapply for an insurance intermediary license. This action was based on allegations of failing to remit premiums for property and casualty insurance products between January 2006 and October 2007, misrepresenting and falsifying insurance coverage for additional cargo coverage, and misrepresenting and falsifying insurance coverage for auto insurance documents. September 2008

Crystal J. Chapman

2511 Caddy Ln., Joliet, IL 60435

Has had her application for an insurance license denied. This action was based on allegations of failing to respond promptly to inquiries from OCI and failing to disclose administrative actions taken by the states of Colorado and Illinois on an insurance license application. January 2008

Geana Monet Christian

3904 N. 77th St., Milwaukee, WI 53222

Has had her insurance license revoked. This action was based on allegations of failing to pay Wisconsin delinquent taxes due. August 2008

Lissa M. Clem

6724 23rd Ave. Apt. Upper, Kenosha, WI 53143

Has had her insurance license revoked. This action was based on allegations of failing to pay Wisconsin delinquent taxes due. April 2008

Graham McMurray Clement

5938 Flambeau Rd., Rancho Palos Verdes, CA 90275

Has had his application for an insurance license denied. This action was based on allegations of failing to respond promptly to inquiries from OCI and failing to disclose an administrative action taken by the state of Nevada on an insurance license application. November 2008

David M. Cleveland

1830 Lake Breeze Rd., Oshkosh, WI 54904

Has had his application for an insurance license denied. This action was based on allegations of failing to respond promptly to inquiries from OCI and a criminal conviction which may be substantially related to insurance marketing type conduct. August 2008

David D. Coenen

4524 N. Marshall Heights Ave., Appleton, WI 54913

Was ordered to pay a forfeiture of \$25,000.00, to undergo five years of supervision regarding annuity sales, to submit yearly reports to OCI, and to facilitate restitution

to consumers. These actions were based on allegations of making unsuitable sales of insurance products to consumers and making false and misleading statements regarding insurance contracts. January 2008

Joel E. Cole

616 Peters Dr., Waukesha, WI 53188

Has had his insurance license revoked. This action was based on allegations of failing to pay Wisconsin delinquent taxes due. May 2008

Lisa A. Coleman

3020 17th Ave. Ct. W. #A, Gig Harbor, WA 98335

Has had her application for an insurance license denied. This action was based on allegations of failing to respond promptly to inquiries from OCI and failing to disclose an administrative action taken by the state of Washington on an insurance license application. January 2008

Reuben Edward Collier

2411 N. Jackson, Waukegan, IL 60087

Has had his insurance license revoked. This action was based on allegations of failing to pay Wisconsin delinquent taxes due. October 2008

Owen G. Costanza

199 Edson St., Poplar Grove, IL 61065

Has had his license denied for 31 days. This action was based on allegations of failing to disclose previous criminal convictions on an insurance license application and failing to disclose a company termination for allegations of misconduct. November 2008

James W. Crystal

875 Park Ave. #7B, New York, NY 10021

Has had his application for an insurance license denied. This action was based on allegations of failing to respond promptly to inquiries from OCI and an administrative action taken by another state. July 2008

Mark R. Cummisford

6980 S. Crane Dr., Oak Creek, WI 53154

Has had his license denied for 31 days. This action was based on allegations of failing to disclose an administrative action taken by the state of Wisconsin, Department of Regulation and Licensing, Real Estate Examining Board, on an insurance license application. September 2008

Sean Richard Dahl

907 S. Comanche Ln., Waukesha, WI 53188

Paid a forfeiture of \$250.00, was ordered to respond truthfully to all inquiries from OCI, and has had his license denied for 30 days. This action was based on allegations

STATE OF INDIANA )  
 ) SS:  
COUNTY OF MARION )

BEFORE THE INDIANA  
COMMISSIONER OF INSURANCE

CAUSE NUMBER: 9384-AG10-0831-135

IN THE MATTER OF:

Owen Costanza )  
Agent / Respondent )  
 )  
199 Edson Street )  
Poplar Grove, IL 61065 )  
 )  
Type of Agency Action: Enforcement )  
 )  
Indiana Insurance License No.: 425943 )

**FILED**

SEP 21 2010

STATE OF INDIANA  
DEPT. OF INSURANCE

**FINAL ORDER AND APPROVAL**

The Indiana Department of Insurance ("Department") and Owen Costanza ("Respondent"), a licensed resident Indiana Insurance Producer, signed an Agreed Entry which purports to resolve all issues involved in the above captioned action, and which has been submitted to the Acting Commissioner of Insurance (the "Commissioner") for approval. (See Exhibit 'A' attached hereto)

The Acting Commissioner, after reviewing the Agreed Entry, finds it has been entered into fairly and without fraud, duress or undue influence, and is fair and equitable between the parties. The Acting Commissioner hereby incorporates the Agreed Entry as if fully set forth herein, and approves and adopts in full the Agreed Entry as a resolution of this matter.

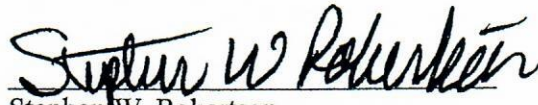




IT IS THEREFORE ORDERED by the Acting Commissioner of Insurance:

1. Respondent shall pay a fifteen hundred dollar (\$1,500.00) civil penalty to the Indiana Department of Insurance within thirty (30) day from the date this order is filed.

ALL OF WHICH IS ORDERED this 21<sup>st</sup> day of September 2010.



Stephen W. Robertson  
Acting Commissioner/Executive Director  
Indiana Department of Insurance

Distribution:

Laura A. Levenhagen  
**INDIANA DEPARTMENT OF INSURANCE**  
311 West Washington Street, Suite 300  
Indianapolis, Indiana 46204-2787

Owen Costanza  
199 Edson St.  
Poplar Grove, IL 61065

STATE OF INDIANA )  
 ) SS:  
COUNTY OF MARION )

BEFORE THE INDIANA  
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199 Edson Street )  
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 )  
Type of Agency Action: Enforcement )  
 )  
Indiana Insurance License No.: 425943 )

**FILED**  
SEP 21 2010  
STATE OF INDIANA  
DEPT. OF INSURANCE

AGREED ENTRY

This Agreed Entry is executed between the State of Indiana, Department of Insurance ("Department") through Counsel Laura A. W. Levenhagen, and Owen Costanza ("Respondent"), a licensed non-resident insurance agent. This Agreed Entry is subject to the review and approval of Stephen W. Robertson, Executive Director and Acting Commissioner, Indiana Department of Insurance.

WHEREAS, Respondent is a licensed non-resident insurance producer in Indiana, holding license number 425943.

WHEREFORE, on May 21, 2010 Respondent applied for, and was granted, an Indiana non-resident producer license;

WHEREAS, when asked on the application "[h]ave you ever been convicted of a crime, had a judgment withheld or deferred, or are you currently charged with committing a crime?" Respondent indicated "NO", which was false;

WHEREAS, when asked on the application "[h]ave you ever been named as a party in an

administrative proceeding regarding any professional or occupational license or registration?" Respondent indicated "NO", which was false;

WHEREAS, when asked on the application "[h]ave you... ever had an insurance agency contract or any other business relationship with an insurance company terminated for any alleged misconduct?" Respondent indicated "NO", which was false.

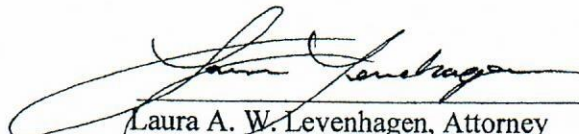
IT IS THEREFORE, NOW AGREED by and between the parties as follows:

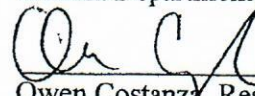
1. The Commissioner has jurisdiction over the subject matter of, and the parties to, this Agreed Entry.
2. This Agreed Entry is executed voluntarily by the parties without the presence of any duress, coercion, or undue influence.
3. Respondent voluntarily and freely waives his right to a public hearing on the issues in the above captioned matter.
4. Respondent voluntarily and freely waives his right to petition for judicial review of this agreement and the Commissioner's Final Order.
5. Respondent acknowledges that his Indiana non-resident producer license was granted through misrepresentation.
6. Respondent agrees that his actions have made him subject to penalties under Indiana Code § 27-1-15.6.12(b)(3), including, but not limited to, probation, suspension, or revocation of Respondent's Indiana non-resident insurance license, and fines.
7. Respondent agrees to pay a fifteen hundred dollar (\$1,500.00) civil penalty, which shall be payable within thirty (30) days from the date the Commissioner files a Final Order in the above captioned matter.
8. The Department agrees to accept Respondent's compliance with the terms of this agreement as full resolution of this matter.

9. Respondent has carefully read and examined this agreement and fully understands its terms.
10. Respondent is aware that failure to comply with any term of this agreement will result in the matter being set for hearing.
11. Respondent understands that this agreement will result in a state action against his Indiana non-resident license, and Respondent may be required to report that action to other states where he holds professional licenses.

9/15/10  
Date Signed

9/10/10  
Date Signed

  
\_\_\_\_\_  
Laura A. W. Levenhagen, Attorney  
Indiana Department of Insurance

  
\_\_\_\_\_  
Owen Costanza, Respondent



State of Wisconsin / OFFICE OF THE COMMISSIONER OF INSURANCE

Jim Doyle, Governor  
Sean Dilweg, Commissioner

Wisconsin.gov

October 8, 2008

AGENT LICENSING SECTION  
P.O. Box 7872  
Madison, Wisconsin 53707-7872  
(608) 266-8600 • Fax: (608) 267-0451  
E-Mail: oclagentlicensing@wisconsin.gov  
Web Address: ocl.wi.gov

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

OWEN G COSTANZA

[REDACTED]

POPLAR GROVE IL 61065

Re: Case No. 08-C31695

The Office of the Commissioner of Insurance has completed its investigation of your application dated June 10, 2008, for a permanent Individual Intermediary agent's insurance license and h  
decision to deny your license application is based on the following: The

Costanza, Owen G  
08-C31695  
Ex: Goad, Linda Atty: Luck, Bob  
Closed: 11-11-2008

Because of the above reasons, OCI cannot immediately grant this license to you. Please be advised that OCI denies your application for intermediary license for 31 days until November 8, 2008. On this date your license application will be processed by OCI and you will have authority to sell insurance once you receive your license and are properly appointed with an insurer. If you want to contest this denial, OCI must receive a written petition for a hearing within 30 days of the date of this letter pursuant to s. 601.62 (3), Wis. Stat. The petition must include all of the following:

1. Your name, current address and phone number.
2. The date of your petition and the case number listed above.
3. A concise explanation of each basis for which you believe the denial should be withdrawn or modified.
4. If you choose to hire an attorney, the name, address and phone number of the attorney who will appear representing you.

This license denial for 31 days is an administrative action and will be reported to other states. You should check with each state that you are licensed in to see if you are required to report this administrative action. This administrative action should be disclosed on future applications.

Sincerely,  
*Linda S. Goad*  
Linda S. Goad  
Agent Licensing Section





State of Wisconsin / OFFICE OF THE COMMISSIONER OF INSURANCE

Jim Doyle, Governor  
Sean Dilweg, Commissioner

Wisconsin.gov

125 South Webster Street • P.O. Box 7873  
Madison, Wisconsin 53707-7873  
Phone: (608) 266-3585 • Fax: (608) 266-9935  
E-Mail: [ociinformation@wisconsin.gov](mailto:ociinformation@wisconsin.gov)  
Web Address: [oci.wi.gov](http://oci.wi.gov)

**PRESS RELEASE**

FOR IMMEDIATE RELEASE  
December 3, 2008

For more information contact:

**Robert Luck**  
Consumer Attorney  
(608) 266-0082  
[robert.luck@wisconsin.gov](mailto:robert.luck@wisconsin.gov)

**November 2008 Administrative Actions of the Office of the  
Commissioner of Insurance (OCI)**

**Madison, WI**—OCI has taken the following administrative actions. In many of these cases the respondent denied the allegations but consented to the action taken. Any forfeitures paid in these administrative actions are deposited in the Common School Fund which is administered by the Board of Commissioners of Public Lands. The earnings from this fund are distributed to all public K-12 schools in Wisconsin and are used by school libraries to purchase books. Copies of the administrative action orders may be viewed online at <https://ociaccess.oci.wi.gov/OrderInfo/OrdInfo.oci>.

OCI is responsible for overseeing the operations and marketing of insurance companies and agents in Wisconsin. OCI encourages anyone with a question or a complaint regarding an insurance company or agent to contact the office at this toll-free telephone number: 1-800-236-8517.

**Allegations and Actions Against Agents**

Najla N. Alwan, 377 N. First St., Council Bluffs, IA 51503, has had his application for an insurance license denied. This action was based on allegations of failing to respond promptly to inquiries from OCI and failing to disclose administrative action taken by the state of Oklahoma on an insurance license application.

Riccardo Bambi, 4901 Bayfield Ter., Madison, WI 53705, was ordered to respond promptly to inquiries from OCI and has had his license denied for 60 days. This action was based on allegations of failing to respond promptly to inquiries from OCI regarding an application for an insurance license.

Ellen A. Bosetski, 3461 Pine Forest Dr., Green Bay, WI 54313, has had her application for an insurance license denied. This action was based on allegations of failing to respond promptly to inquiries from OCI and failing to disclose a previous Wisconsin administrative action on an insurance license application.

Gary E. Burnham, 3989 S. Camrose Ave., New Berlin, WI 53151, paid a forfeiture of \$10,000.00 and surrendered his insurance agent's license. This action was based on allegations of making false and misleading statements to consumers regarding the sale of annuity products, making unsuitable recommendations and sales of annuities to seniors, and failing to properly consider suitability in selling life insurance.

-more-

Graham McMurray Clement, 5938 Flambeau Rd., Rancho Palos Verdes, CA 90275, has had his application for an insurance license denied. This action was based on allegations of failing to respond promptly to inquiries from OCI and failing to disclose administrative action taken by the state of Nevada on an insurance license application.

Owen G. Costanza, 199 Edson St., Poplar Grove, IL 61065, has had his license denied for 31 days. This action was based on allegations of failing to disclose previous criminal convictions on an insurance license application and failing to disclose a company termination for allegations of misconduct.

Sean Richard Dahl, 907 S. Comanche Ln., Waukesha, WI 53188, paid a forfeiture of \$250.00, was ordered to respond truthfully to all inquiries from OCI, and has had his license denied for 30 days. This action was based on allegations of failing to respond promptly to inquiries from OCI and failing to disclose a criminal conviction on his insurance license application.

Patrick Lee Fahrenkrug, N7973 Pigeon Rd., Sherwood, WI 54169, has had his license denied for 31 days. This action was based on allegations of failing to disclose previous criminal convictions on an insurance license application.

Thomas A. Hampel, 2323 S. 55<sup>th</sup> St., West Allis, WI 53219, has had his insurance license revoked. This action was based on allegations of failing to pay Wisconsin delinquent taxes due.

Donald A. Haworth, 871 Klondike Ave., Hillsboro, WI 54634, has had his license denied for 31 days. This action was based on allegations of failing to disclose a previous administrative action taken by the state of Wisconsin on an insurance license application.

Brian L. Hicks, 2727 E. Shore Dr., Green Bay, WI 54302, has had his insurance license revoked. This action was based on allegations of failing to pay Wisconsin delinquent taxes due.

Kim Ray Holzberger, 6423 N. 40<sup>th</sup> St., Milwaukee, WI 53209, has had her license denied for 31 days. This action was based on allegations of failing to disclose previous criminal convictions on an insurance license application.

Jeffery A. Hosking, 1914 La Sierra Way, Madison, WI 53716, has had his insurance license revoked. This action was based on allegations of failing to pay Wisconsin delinquent taxes due.

Kevin James Kabacinski, 2215 S. 61<sup>st</sup> St., Milwaukee, WI 53219, has had his application for an insurance license denied. This action was based on allegations of failing to respond promptly to inquiries from OCI regarding judgment or bankruptcy that involved funds held on behalf of others and failing to pay Wisconsin delinquent taxes due.

Steven A. Kanner, 6646 NW 25<sup>th</sup> Ter., Boca Raton, FL 33496, has had his application for an insurance license denied. This action was based on allegations of failing to respond promptly to inquiries from OCI regarding lawsuits and administrative action taken by the state of Maryland Securities Division.

Zach D. Kass, 14941 Kass Rd., Dubuque, IA 52002, has had his application for an insurance license denied. This action was based on allegations of failing to respond promptly to inquiries from OCI and a criminal conviction which may be substantially related to insurance marketing type conduct.

Vincent John Kleszcz, 4529 Butterfly Way, Keller, TX 76248, has had his license denied for 31 days. This action was based on allegations of failing to disclose administrative actions taken by the states of Delaware and Kansas on an insurance license application.

Michael E. Lambert, 379 W. Main St., Waukesha, WI 53186, was ordered to cease and desist from making any communication relating to an insurance contract which contains false or misleading

State of Montana Licensing Department

RE: Owen G Costanza 1330249

Rms Insurance Services Inc 16131818

To whom it may concern:

The NIPIR customer service staff was very confusing on the subject on uploading documentation. I was unable to log in to the warehouse documents for the business. Here are responses for the business:

1A- Has there been any Misdemeanor convictions, YES. The charges and explanations are in the warehouse. I was 25 at the time and these were over NSF check that my x-wife written.

2. Administrative hearing- Yes – Attached to the warehouse is the order which was settled for \$30,000 and there have been no issues since then. I had a business partner at the time that did not have a license that created the issues that led to the hearing.

The state of Indiana charged me \$1500 for incorrectly checking no to having Misdemeanors and then attaching the documentations.

State of Wisconsin delayed (denied) My license for 30 days , as my lawyer did not respond in a timely manner. No fines were issued

6. I have accidentally clicked Yes on being terminated for cause, I do not recall having a contract terminated for cause and have no documentations showing anything to that as well. Talking about these incidents brings back terrible memories and bad feeling and I accidentally checked this box.

For the personal nonresident application:

1. Misdemeanors – attached in the warehouse
2. Administrative hearing-yes attached

Page 1 of 2





The question comes up as to why I should be granted a license, since these experiences there have been no issues. I own a four-million-dollar agency and employ 3 people. We are very involved in our community from social club to I am a local elected official for my town.

From time to time our commercial customers have business that will require us to get an out of state license.

We no longer have any business in South Dakota and let that license expire. We maintain business in WI, IA and Michigan and have had no issues.

Our current customer has a large surety bond that requires us to be licensed in your state.

If you have any questions, please call me.

815-262-4293

  
Owen Costanza

Page 2

STATE OF ILLINOIS  
DEPARTMENT OF INSURANCE



IN THE MATTER OF THE  
REVOCATION OF LICENSING  
AUTHORITY OF:

RMS SERVICE GROUP, INC.  
d/b/a/Alliance Insurance Agency

HEARING NO. 14-HR-0482

And

OWEN G. COSTANZA

ORDER OF DISMISSAL

**WHEREAS**, on April 3, 2014, an Order of Revocation was issued by the former Director of Insurance, Andrew Boron ("Director"), to Owen Costanza ("Respondent") and RMS Service Group Inc., d/b/a/Alliance Insurance agency ("RMS") (collectively, "Respondents"), revoking the Illinois insurance producer license of the Respondent and business entity license of RMS;

**WHEREAS**, on June 20, 2014, pursuant to Ms. Gabriella Moretti of Ziccardi Law Offices request for a hearing on behalf of the Respondents, a Notice of Hearing was issued by the Director setting an original hearing date of August 27, 2014;

**WHEREAS**, on July 17, 2014, the Respondents submitted a Motion for Continuance;

**WHEREAS**, on August 12, 2014, an Order was issued by the appointed Hearing Officer continuing this matter generally;

**WHEREAS**, on February 20, 2015, the Respondents and the Acting Director of Insurance, James A. Stephens, entered into a Stipulation and Consent Order (attached) for purposes of resolving all matters pertaining to the previously issued Order of Revocation;

EXHIBIT

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WHEREAS, the Acting Director of Insurance being otherwise fully advised in the premises.

NOW THEREFORE, IT IS HEREBY ORDERED that Hearing No. 14-HR-0482 is dismissed.

DEPARTMENT OF INSURANCE  
STATE OF ILLINOIS

DATE: March 4, 2015

  
\_\_\_\_\_  
James A. Stephens  
Acting Director of Insurance

STATE OF ILLINOIS  
DEPARTMENT OF INSURANCE



IN THE MATTER OF:  
THE REVOCATION OF LICENSING  
AUTHORITY OF:

RMS Service Group, Inc.  
d/b/a Alliance Insurance Agency  
13532 Julie Drive  
Poplar Grove, IL 61065

And

14-HR-0482

Owen G. Costanza  
199 Edson Street  
Poplar Grove, IL 61065

STIPULATION AND CONSENT ORDER

WHEREAS, Owen Costanza (Licensee), is a licensed producer in the State of Illinois and RMS Service Group, Inc. d/b/a Alliance Insurance Agency (Business Entity) was a licensed business entity in the State of Illinois; and

WHEREAS, the Licensee and Business Entity are aware that Section 5/500-70(e) [215 ILCS 5/500-70(e)] states the following: "The Director has the authority to enforce the provisions of and impose any penalty or remedy authorized by this Article against any person who is under investigation for or charged with a violation of this Code or rules even if the person's license or registration has been surrendered or has lapsed by operation of law;" and

WHEREAS, the Licensee and Business Entity are aware of the actions, steps and remedies which the Director of Insurance is authorized to take under Section 5/500-70 of the Illinois Insurance Code (215 ILCS 5/500-70); and

WHEREAS, the Licensee and Business Entity are advised that the Department of Insurance has caused an investigation to be commenced to determine whether or not such causes and conditions exist as would authorize the Director of Insurance to take such actions and steps or pursue such remedies as are

provided in Section 5/500-70 of the Illinois Insurance Code; and

WHEREAS, the Licensee and Business Entity are aware of and understand the nature of this investigation and the charges and their various rights in connection therewith, including the right to counsel, notice, hearing and appeal under Section 5/500-70 of the Illinois Insurance Code and 50 Ill. Adm. Code 2402; and

WHEREAS, the Licensee and Business Entity, for the purpose of resolving all matters raised by the investigation without the necessity of an administrative hearing, enters into this Stipulation and Consent Order.

NOW THEREFORE, IT IS AGREED by and between the Licensee and Business Entity and the Director of Insurance as follows:

I. To waive the Notice and Hearing as required under Section 5/500-70 of the Illinois Insurance Code.

II. To stipulate that the Director of Insurance alleges the following:

A. A fiduciary review revealed that for the time period of August 31, 2010 through January 14, 2011, the Business Entity and Licensee's PFTA was deficient in respect to those premium monies under examination on 117 days during that time period. The review pertained to premiums collected from 17 consumers.

During the 117 days in which the PFTA was deficient, the deficiency differences ranged from \$200.14 to \$24,574.16 with an average of \$15,240.35.

B. From August 2, 2010 through October 21, 2010, the Business Entity and Licensee collected insurance premiums from three (3) consumers but failed to forward the premiums to the insurer within the required timeframe.

C. The examination revealed the Business Entity and Licensee failed to return four (4) return premiums to insureds within 15 days of receipt from the insurer or other licensee.

On those four (4) occasions, the Business Entity and Licensee failed to obtain written authorization from the insured to hold credit balances.

Of the four (4) return premiums not returned timely, the average return premium was \$611.32. Furthermore, the Business Entity and Licensee held the four (4) return premiums for an average of 301 days.

D. During March 2010, the Business Entity and Licensee made unlawful withdrawals that totaled \$9,400.00 from the PFTA, \$10,733.97 from the Main Account and \$16,385.66 from the Operating Account, all held at National City Bank.

E. On September 22, 2010, the Business Entity and Licensee deposited

\$365.83 received from a consumer for a homeowner's insurance policy. On September 27, 2010, \$196.40 was paid to the insurer. The remainder of \$169.43 was not repaid to the consumer until October 5, 2011.

F. During the course of the examination the examiner reviewed 13 consumer files for service fees. Nine (9) of the thirteen (13) files revealed the consumers were being charged a service fee and all nine (9) files had no Service Fee Agreements and six (6) of the nine (9) had no invoices sent to the consumer informing them of the service fee.

G. During February 2009, the Business Entity and Licensee deposited premium monies totaling \$1,011.00 and paid premiums totaling \$1,535.50 from the Main Account. During July 2009, the Business Entity and Licensee deposited premium monies totaling \$2,242.00 into the Main Account, \$3,283.88 into the Operating Account and paid premiums totaling \$5,838.17 from the Main Account. During March 2010, the Business Entity and Licensee deposited premium monies totaling \$1,756.17 into the Operating Account and paid premiums totaling \$567.00 from the Main Account. During July 2010, the Business Entity and Licensee paid premiums totaling \$76.00 from the Main Account.

H. The check register provided by the Business Entity and Licensee did not include positive running balances after each deposit or disbursement entry.

From May 31, 2008 through February 28, 2011, the Business Entity and Licensee's bank accounts held at National City/PNC Bank had a combined negative balance on thirty-two (32) separate dates.

I. The Business Entity and Licensee maintained a Bond in the amount of \$2,500.00 from 2008 through 2011. The Business Entity and Licensee brokered \$146,831.00 in 2010 indicating the minimum amount of the bond for calendar year 2011 should have been \$7,342.00.

J. In 2008, the State of Wisconsin denied the Business Entity and Licensee's application for failing to disclose previous criminal convictions on an insurance license application and failing to disclose a company termination for allegations of misconduct.

In 2010, the State of Indiana filed an Agreed Entry with a \$1,500 civil penalty against the Licensee for failing to disclose prior criminal convictions, having a judgment withheld or deferred, pending criminal investigation, or being named as a party in administrative proceedings regarding a professional or occupational license or registration on their application.

K. The Business Entity and Licensee answered "No" to question #2 when asked about their involvement in an administrative proceeding regarding a professional or occupational license or registration, regarding whether administrative action was taken by another State on their 2010 and 2012 application renewals for a license.

L. The Business Entity and Licensee's PFTA bank statement with National City Bank/PNC have the account labeled: "DBA Alliance Insurance." An Illinois Casualty Direct Bill Statement was issued to "Alliance Insurance Agency." Premiums sent in by consumers are written to "Alliance Insurance Agency." Alliance Insurance Agency is not licensed as a business entity to transact insurance business with the State of Illinois in violation of Section 5/500-30(c) of the Illinois Insurance Code (215 ILCS 5/500-30(c)) nor does the license issued for the Business Entity include the DBA Alliance Insurance Agency in violation of Section 5/500-55 of the Illinois Insurance Code (215 ILCS 5/500-55)).

M. The Business Entity and Licensee provided the Department examiner with a Check Register Report which did not have all checks issued listed and was not accurate as to actual checks issued with the correct check number.

N. The Business Entity and Licensee did not provide the Department examiner with a listing of deposits or monies received. Although some deposits of premium monies had been entered into their Applied computer system, it was not done on a consistent or complete basis. Deposit slips did not have the name of the consumer or payee listed.

O. The Business Entity and Licensee did not prepare and maintain bank reconciliations for any of the bank accounts for the time period from June 1, 2008 through January 31, 2011.

P. The Business Entity and Licensee have a PFTA held at National City Bank which was changed to PNC Bank. The Business Entity and Licensee's PFTAs were labeled "Premium Trust Account" on the bank statements and the checks. The Business Entity and Licensee's bank statements through January, 2011 were labeled "Premium Trust Account." Check #1314 written on September 9, 2010 on the Business Entity and Licensee's National City Bank account #986631529, has "Premium Fund Trust Account" on the face of the check.

III. The Licensee and Business Entity does consent to entry of the following Order based upon the above stipulations.

NOW THEREFORE, IT IS HEREBY ORDERED by the undersigned Director of Insurance, Department of Insurance, pursuant to Section 5/500-70 of the Illinois Insurance Code that Licensee and


Business Entity:

1. Shall voluntarily agree to the revocation of the Business Entity license of RMS Service Group, Inc., d/b/a Alliance Insurance Agency.
2. Shall pay a civil penalty in the amount of \$30,000.00 to the Director of the Illinois Department of Insurance. The payment of the civil penalty shall be as follows: \$10,000.00 is due to the Director of the Illinois Department of Insurance within 15 days of the date of this Order and the remainder (\$20,000.00) is due to the Director of the Illinois Department of Insurance within one year of the date of this Order to be paid in monthly installments directly to the Illinois Department of Insurance, Attention: Cathy Suhling, 320 West Washington Street, 4<sup>th</sup> Floor, Springfield, Illinois 62767.
3. Shall not violate any sections of the Illinois Insurance Code or Title 50 of the Illinois Administrative Code.

This Stipulation and Consent Order supersedes the Order of Revocation dated April 3, 2014. Hearing No. 14-HR-0482 shall be dismissed based upon the entry of this Stipulation and Consent Order.

A material violation of the above Stipulation & Consent Order, including failure to comply with the monthly payments of the civil penalty, shall subject the Licensee to further administrative action pursuant to Section 5/407.2 of the Illinois Insurance Code (215 ILCS 5/407.2).

Nothing contained herein shall prohibit the Director of Insurance from taking any and all appropriate action should the Licensee violate any of the provisions of this Stipulation and Consent Order or any provisions of the Illinois Insurance Code or Title 50 of the Illinois Administrative Code.


  
 Owen G. Costanza, Licensee  
 and as representative of RMS  
 Service Group, Inc., Business Entity

Date 2/18/15

State of Illinois )  
 )SS  
 County of Winnebago )

Subscribed and sworn to,  
 before me, this 18 day of  
Feb, 2015



  
Notary Public



DEPARTMENT OF INSURANCE  
of the State of Illinois;

Date: 3/20/15

  
James A. Stephens  
Acting Director

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on 3-15, 2015, I caused a true and correct copy of the foregoing instrument to be served upon the Attorneys of Record or Parties to the above captioned matter, by the designated means:

RMS Service Group, Inc.  
d/b/a Alliance Ins. Agency  
13532 Julie Dr.  
Poplar Grove, IL 61065

first class mail  
 certified mail # 8521  
 hand delivery  
 electronic mail  
 via facsimile

Owen G. Costanza  
199 Edison St.  
Poplar Grove, IL 61065

first class mail  
 certified mail # 8538  
 hand delivery  
 electronic mail  
 via facsimile

Gabriella Moretti  
Ziccardi Law Offices  
77 W. Washington St., Ste. 705  
Chicago, IL 60602

first class mail  
 certified mail # 8545  
 hand delivery  
 electronic mail  
 via facsimile

M Lely  
Mary Ann Lelys  
Administrative Assistant



# Illinois Department of Insurance

JB PRITZKER  
Governor

DANA POPISH SEVERINGHAUS  
Director

July 19, 2022

Sent via electronic mail:  
[REDACTED]

Lisa Rodgers

## RE: Freedom of Information Act Request: 22-FO-0616

Dear Ms. Rodgers:

This letter is to inform you of the Department of Insurance's ("Department") response to your Freedom of Information Act ("FOIA") request [5 ILCS 140/1 et seq.].

The Department received your request on , 2022, requesting "I have cc'd Attorney Trent Ferguson in this email. I am responding respectfully to your email today and the last comment of your response. Thank you for your assistance. It is very much appreciated. **"\*The Department conducted another search for the renewals for 2004 and 2010, and again no responsive documents were found. As indicated to you by email on June 16, 2022, the Department provided you with the 2006 renewal which can be found on page 23 of the previously provided responsive combined PDF." According to page 4 of the IL 2015 Consent & Stipulation Item K says the following. See Attached and below. It clearly states IL used the 2010 & 2012 renewal applications that were answered "No". 1. Please provide the License Renewal 2010 & 2012 documents referenced in the IL 2015 Stipulation and Consent page 4 item K from Illinois, Indiana, & Wisconsin.**"

Your referenced June 30, 2022, correspondence was apparently not entered and processed during a brief Department transition period; the Department regrets any inconvenience.

Mr. Costanza's 2012 renewal document was sent to you previously on June 16, 2022, in response to your FOIA request 22-FO-0533. It is found on pages 3-4 of the 25-page combined PDF, which is again provided to you as a courtesy.

An additional search for records found a version of Mr. Costanza's 2010 renewal application, which is attached. This document has illegible parts that are in the form as it exists.

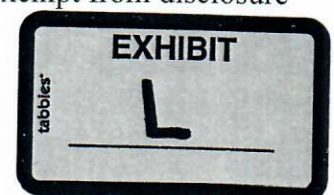
Your request is partially denied to the extent it contains confidential information exempt from disclosure pursuant to Sections 7(1)(b), and (c) of FOIA [5 ILCS 140/7(1)(b), and (c)]

Section 7(1) of FOIA states in pertinent part as follows:

### Sec. 7. Exemptions

Springfield Office  
320 W. Washington Street  
Springfield, Illinois 62767  
(217) 782-4515

Chicago Office  
122 S. Michigan Ave., 19<sup>th</sup> Floor  
Chicago, Illinois 60603  
(312) 814-2420



- (1) When a request is made to inspect or copy a public record that contains information that is exempt from disclosure under this Section, but also contains information that is not exempt from disclosure, the public body may elect to redact the information that is exempt. The public body shall make the remaining information available for inspection and copying. Subject to this requirement, the following shall be exempt from inspection and copying:

\*\*\*\*\*

(b) Private information, unless disclosure is required by another provision of this Act, a State or federal law or a court order.

(c) Personal information contained within public records, the disclosure of which would constitute a clearly unwarranted invasion of personal privacy, unless the disclosure is consented to in writing by the individual subjects of the information.

\*\*\*\*\*

This determination has been made by the Illinois Department of Insurance FOIA Officer Sheila A. Chernis.

You have the right to have the partial denial of your request reviewed by the Public Access Counselor (PAC) at the Office of the Illinois Attorney General. You can file your Request for Review with the PAC by writing to:

Public Access Counselor  
Office of the Attorney General  
500 S. 2nd Street  
Springfield, Illinois 62701

You also have the right to judicial review of your partial denial by filing a lawsuit in the State circuit court [5 ILCS 140/11].

If you choose to file a Request for Review with the PAC, you must do so within 60 calendar days of the date of this partial denial letter [5 ILCS 140/9.5(a)]. Please note that you must include a copy of your original FOIA request and this partial denial letter when filing a Request for Review with the PAC.

The Department is authorized to charge \$1.00 per page for paper copies exceeding 50 pages, for copying fees pursuant to Section 408(1)(t) of the Illinois Insurance Code [215 ILCS 5/408(1)(t)]. No fee will apply to your request since the records you requested are not paper copies.

Sincerely,



Sheila A. Chernis  
Freedom of Information Act Officer  
[DOI.FOIA@illinois.gov](mailto:DOI.FOIA@illinois.gov)

**Springfield Office**  
320 W. Washington Street  
Springfield, Illinois 62767  
(217) 782-4515

**Chicago Office**  
122 S. Michigan Ave., 19<sup>th</sup> Floor  
Chicago, Illinois 60603  
(312) 814-2420



Transaction# 149845900

Return to Gateway View Search Results View XML Format View PIN Format Search Again Logout

**Costanza, Owen G**

Trans. Type: Resident License Renewal  
NIPR Trans: 149845900  
Check I-SITE Listing  
SSN: [REDACTED]  
Natl. Prod. #: 1330249  
Date of Birth: [REDACTED]  
Gender: M  
Resident State: IL  
Res. License #: [REDACTED]  
Res. License Class: Producer  
Nationality: U.S.A.

**Applicant Info**

**Mailing Address:**

[REDACTED]

U.S.A.

**Residence Address:**

[REDACTED]

U.S.A.

**Business Address:**

13532 JULIE DRIVE  
POPLAR GROVE, IL 61065  
U.S.A.

**Applicant Info Cont.**

**Residence Phone #:**

[REDACTED]

**Affiliations**

Name	FEIN	Natl. Prod #	Firm Type
Rms Service Group Inc	[REDACTED]	11654480	Unknown

**Background Questions**

For complete wording of the background questions go to: [Licensing Applications](#)

1: Have you been convicted of a crime, had a judgment withheld or deferred, or are you currently charged with committing a crime, which has not been previously reported to this state?

No

1A: If you have a felony conviction, have you applied for a waiver as required by 18 USC 1033?

NA

1B: If so, was that waiver granted? (attach a copy of 1033 waiver approved by home state.)

NA

2

v

v

v

3: Do you have a child support obligation in arrearage, which has not been previously reported to this state?

No

3B: Are you currently subject to a repayment agreement?

No

3C: Are you the subject of a child support related subpoena/warrant?

No

**IL Special Questions**

1: Have you completed three hours of Classroom Ethic study for this renewal period?

Yes

**Attestation**

1: I hereby certify that, under penalty of perjury, all of the information submitted in this application and attachments is true and complete. I am aware that submitting false information or omitting pertinent or material information in connection with this application is grounds for license revocation or denial of the license and may subject me to civil or criminal penalties.

2: Unless provided otherwise by law or regulation of the jurisdiction, I hereby designate the Commissioner, Director or Superintendent of Insurance, or other appropriate party in each jurisdiction for which this application is made to be my agent for service of process regarding all insurance matters in the respective jurisdiction and agree that service upon the Commissioner, Director or Superintendent of Insurance, or other appropriate party of that jurisdiction is of the same legal force and validity as personal service upon myself.

3: I further certify that I grant permission to the Commissioner, Director or Superintendent of Insurance, or other appropriate party in each jurisdiction for which this application is made to verify information with any federal, state or local government agency, current or former employer, or insurance company.

4: I further certify that, under penalty of perjury, a) I have no child-support obligation, b) I have a child-support obligation and I am currently in compliance with that obligation, or c) I have identified my child support obligation arrearage on this application.

5: I authorize the jurisdictions to give any information concerning me, as permitted by law, to any federal, state or municipal agency, or any other organization and I release the jurisdictions and any person acting on their behalf from any and all liability of whatever nature by reason of furnishing such information.

6: I acknowledge that I understand and will comply with the insurance laws and regulations of the jurisdictions to which I am applying for licensure.

7: I hereby certify that upon request, I will furnish the jurisdiction(s) to which I am applying, certified copies of any documents attached to this application or requested by the jurisdiction(s).

Applicants Certification and Attestation: Yes

Authorizing Officer

Submitter: Producer

Contact Information

Name: OWEN COSTANZA

Unknown E-mail Address: OWEN.COSTANZA@RMS



**Transaction Information**

State: IL  
 Date Sent: 06/09/2010  
 Validation: Pass  
 Status: Processed  
 Customer: 83ERL  
 Customer Batch: VXHF5C251699  
 Customer Trans#: 4144761

State Fee: \$180.00  
 Trans Fee: \$5.00  
 Payment Method: Credit Card

**Licenses/Lines of Authority**

License Class	Effective Date	Renew Date	Accepted	Comment Code	Comments
Producer	0		Yes	299	Please allow 1 week for processing. If additional documentation is requested from you, this may add additional processing time.
Producer	07/06/2010		Yes	299	Send any required documents to: ILLINOIS DIVISION OF INSURANCE ATTN: PRODUCER REGULATORY 320 WEST WASHINGTON ST SPRINGFIELD, IL 62767-0001

**Lines of Authority**

Line of Authority	Effective Date	Renew Date	Accepted	Comment Code	Comments
Property	07/06/2010		Yes		
Life	07/06/2010		Yes		
Casualty	07/06/2010		Yes		
Health	07/06/2010		Yes		

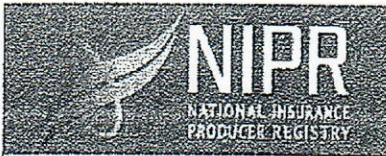
**Intermediate Responses**

License Class	IR Sent	Action Req'd	Comment Code	Comments
Producer	Yes	No	10003	Transaction has been sent to state for review
Producer	Yes	Yes	299	Send any required documents to: ILLINOIS DIVISION OF INSURANCE ATTN: PRODUCER REGULATORY 320 WEST WASHINGTON ST SPRINGFIELD, IL 62767-0001
Producer	Yes	Yes	299	Please allow 1 week for processing. If additional documentation is requested from you, this may add additional processing time.

**Lines of Authority**

No Intermediate Responses for Lines of Authority to display.

**Audit Information**



Transaction#377027940

Return to Gateway View Search Results View XML Format Search Again Logout

**Costanza, Owen G**

Trans. Type: Resident License Renewal  
NIPR Trans: 377027940  
Check I-SITE Listing  
SSN: XXX-XX-XXXX  
Natl. Prod. #: 1330249  
Date of Birth: [REDACTED]  
Resident State: IL  
Res. License #: 1330249  
Res. License Class: Insurance Producer  
Nationality: U.S.A.

**Applicant Info**

**Business Address:**

199 EDSON STREET  
POPLAR GROVE, IL 61065  
U.S.A.

**Mailing Address:**

199 EDSON STREET  
POPLAR GROVE, IL 61065  
U.S.A.

**Residence Address:**

[REDACTED]

**Applicant Info Cont.**

**Individual Applicant E-mail Address:**

OWENCOSTANZA@MSN.COM

**Business E-mail Address:**

OWEN@FLANDERSINSURE.COM

**Business Phone #:**

(815) 765-3444

**FAX Phone #:**

(815) 226-4760

**Residence Phone #:**

[REDACTED]

**Affiliations**

Name	FEIN	Natl. Prod #	Firm Type
Alliance Insurance Agency		16131818	Unknown

**Background Questions**

1: Have you been convicted of a crime, had a judgment withheld or deferred, or are you currently charged with committing a crime, which has not been previously reported to this insurance department? Note: "Crime" includes a misdemeanor, a felony or a military offense. You may exclude misdemeanor traffic citations and misdemeanor convictions or pending misdemeanor charges involving driving under the influence (DUI) or driving while intoxicated (DWI), driving without a license, reckless driving, or driving with a suspended or revoked license and juvenile offenses. "Convicted" includes, but is not limited to, having been found guilty by verdict of a judge or jury, having entered a plea of guilty or nolo contendere or no contest, or having been given probation, a suspended sentence or a fine. If you answer yes, you must attach to this application: a) a written statement explaining the circumstances of each incident, b) a copy of the charging document, c) a copy of the official document, which demonstrates the resolution of the charges or any final judgment.  
No

1A: If you have a felony conviction involving dishonesty or breach of trust, have you applied for written consent to engage in the business of insurance in your home state as required by 18 USC 1033?  
NA

1B: If so, was that consent granted? (Attach copy of 1033 consent approved by home state.)  
NA

2: Have you been named or involved as a party in an administrative proceeding, including a FINRA sanction or arbitration proceeding regarding any professional or occupational license or registration, which has not been previously reported to this insurance department? "Involved" means having a license censured, suspended, revoked, canceled, terminated; or, being assessed a fine, placed on probation, sanctioned or surrendering a license to resolve an administrative action. "Involved" also means being named as a party to an administrative or arbitration proceeding, which is related to a professional or occupational license, or registration. "Involved" also means having a license, or registration, application denied or the act of withdrawing an application to avoid a denial. INCLUDE any business so named because of your actions in your capacity as an owner, partner, officer or director, or member or manager of a Limited Liability Company. You may exclude terminations due solely to noncompliance with continuing education requirements or failure to pay a renewal fee. If you answer yes, you must attach to this application: a) a written statement identifying the type of license and explaining the circumstances of each incident, b) a copy of the Notice of Hearing or other document that states the charges and allegations, and c) a copy of the official document which demonstrates the resolution of the charges or any final judgment.  
No

3: Do you have a child support obligation in arrearage, which has not been previously reported to this insurance department?  
No

4: In response to a "yes" answer to one or more of the Background Questions for this renewal application, are you submitting document(s) to the NAIC/NIPR Attachments Warehouse?  
NA

**- Attestation**

1: I hereby certify that, under penalty of perjury, all of the information submitted in this application and attachments is true and complete. I am aware that submitting false information or omitting pertinent or material information in connection with this application is grounds for license revocation or denial of the license and may subject me to civil or criminal penalties.

2: Unless provided otherwise by law or regulation of the jurisdiction, I hereby designate the Commissioner, Director or Superintendent of Insurance, or other appropriate party in each jurisdiction for which this application is made to be my agent for service of process regarding all insurance matters in the respective jurisdiction and agree that service upon the Commissioner, Director or Superintendent of Insurance, or other appropriate party of that jurisdiction is of the same legal force and validity as personal service upon myself.

3: I further certify that I grant permission to the Commissioner, Director or Superintendent of Insurance, or other appropriate party in each jurisdiction for which this application is made to verify information with any federal, state or local government agency, current or former employer, or insurance company.

4: I further certify that, under penalty of perjury, a) I have no child-support obligation, b) I have a child-support obligation and I am currently in compliance with that obligation, or c) I have identified my child support obligation arrearage on this application.

5: I authorize the jurisdictions to which this application is made to give any information concerning me, as permitted by law, to any federal, state or municipal agency, or any other organization and I release the jurisdictions and any person acting on their behalf from any and all liability of whatever nature by reason of furnishing such information.

6: I acknowledge that I understand and will comply with the insurance laws and regulations of the jurisdictions to which I am applying for licensure.

7: I hereby certify that upon request, I will furnish the jurisdiction(s) to which I am applying, certified copies of any documents attached to this application or requested by the jurisdiction(s).

Applicants Certification and Attestation: Yes

**Authorizing Officer**

Submitter: Producer

**Contact Information**

Name: OWEN COSTANZA

Business E-mail Address: OWEN@FLANDERSINSURENCE.COM

**Transaction Information**

State: IL

State Fee: \$160.77

Date Sent: 05/07/2012

Trans Fee: \$5.00

Validation: Pass

Payment Method: OCheque

Status: Processed

Customer: 83ERL

Customer Batch: 1425247

Customer Trans#: 8451532

**Licenses/Lines of Authority**

License Class	Effective Date	Renew Date	Accepted	Comment Code	Comments
Insurance Producer	06/01/2012		Yes	31663	RIRS Search Positive.
Insurance Producer	06/01/2012		Yes	29582	Send any required documents to: ILLINOIS DIVISION OF INSURANCE ATTN: PRODUCER REGULATORY 320 WEST WASHINGTON ST SPRINGFIELD, IL 62767-0001
Insurance Producer	06/01/2012		Yes	29583	Please allow 1 week for processing. If additional documentation is requested from you, this may add additional processing time.
<b>Lines of Authority</b>					
Line of Authority	Effective Date	Renew Date	Accepted	Comment Code	Comments
Health	06/01/2012		Yes		
Casualty	06/01/2012		Yes		
Property	06/01/2012		Yes		
Life	06/01/2012		Yes		

**Intermediate Responses**

License Class	IR Sent	Action Req'd	Comment Code	Comments
Insurance Producer	Yes	No	31663	Your application has been deferred for review by the Illinois Department of Insurance. Please contact Rich Nitka at 312-814-5430 for additional information.
Insurance Producer	Yes	No	29583	Please allow 1 week for processing. If additional documentation is requested from you, this may add additional processing time.
Insurance Producer	Yes	No	29582	Send any required documents to: ILLINOIS DIVISION OF INSURANCE ATTN: PRODUCER REGULATORY 320 WEST WASHINGTON ST SPRINGFIELD, IL 62767-0001
Insurance Producer	Yes	No	31663	Your application has been deferred for review by the Illinois Department of Insurance. Please contact Rich Nitka at 312-814-5430 for additional information.
Insurance Producer	Yes	No	29582	Send any required documents to: ILLINOIS DIVISION OF INSURANCE ATTN: PRODUCER REGULATORY 320 WEST WASHINGTON ST SPRINGFIELD, IL 62767-0001
Insurance Producer	Yes	No	29583	Please allow 1 week for processing. If additional documentation is requested from you, this may add additional processing time.
<b>Lines of Authority</b>				
No Intermediate Responses for Lines of Authority to display.				

**Audit Information**

Date	Comments
06/01/2012 09:27:51	Emailed completed transaction to OWEN@FLANDERSINSURENCE.COM, OWENCOSTANZA@MSN.COM
06/01/2012 08:58:20	State Interface - User: IL326 - Transaction released
05/07/2012 09:28:04	Emailed intermediate response to OWEN@FLANDERSINSURENCE.COM, OWENCOSTANZA@MSN.COM
05/07/2012 09:06:06	Emailed intermediate response to OWEN@FLANDERSINSURENCE.COM, OWENCOSTANZA@MSN.COM