

# New York State Insurance Department

ISSUED: 10/11/06

FOR IMMEDIATE RELEASE

## NEW YORK STATE INSURANCE DEPARTMENT TAKES DISCIPLINARY ACTIONS AGAINST COMPANIES, AGENTS, BROKERS & ADJUSTERS

The New York State Insurance Department has taken disciplinary action against the following licensees. Those categorized as stipulations have been agreed to by the licensee. Department actions that result from Department hearings are subject to judicial review and possible stay of enforcement.

### INSURANCE COMPANIES

LICENSEE	ADDRESS	PENALTY
AutoOne Insurance Company	One Beacon Street Boston, MA	\$17,950 fine
Respondent violated Section 5106 of the Insurance Law and Department Regulation 68 (11 NYCRR Part 65) which require that: an insurer must send a no-fault application within 5 business days after receipt of notice of claim at its claim processing office; payment or denial of claim must be made within 30 calendar days of receipt of relevant information and/or proof of claim; and that all overdue PIP benefits shall bear interest at a rate of 2 percent per month, compounded and calculated on a pro rata basis using a 30-day month. [Stipulation approved November 9, 2004.]		

LICENSEE	ADDRESS	PENALTY
Continental Insurance Company	120 South Riverside Plaza Chicago, IL	\$120,600 fine
Respondent violated Section 5106 of the Insurance Law and Department Regulations 64 and 68 (11 NYCRR Parts 216 and 65 respectively) which require that: payment or denial of claim must be made within 30 calendar days of receipt of relevant information and/or proof of claim; all overdue PIP benefits shall bear interest at a rate of 2 percent per month, compounded and calculated on a pro rata basis using a 30 day month; and that all first and third-party losses, however sustained, where damage to the claimant's vehicle exceeds \$2,500, shall be reported to the NICB no later than five calendar days after the sale of salvage, or, if the insured or claimant is permitted to retain the vehicle, no later than five calendar days after the date of loss payment. [Stipulation approved December 16, 2004.]		

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LICENSEE	ADDRESS	PENALTY
Homeland Insurance Company of New York	One Beacon Street Boston, MA	\$15,200 fine
Respondent violated Section 3426 of the Insurance Law and Department Regulations 57, 96 and 129 (11 NYCRR Parts 160, 62 and 161 respectively) which require that: an insurer must		

charge filed rates; at least 45 days but not more than 60 days in advance of the expiration date of the policy, every insurer shall deliver an anti-arson application to the named insured; rating plans for eligibility purposes may only be used in the rating of risks which generate certain enumerated basic limits premium; the use of a filed and approved experience rating, schedule rating, IRPM or expense reduction plan is mandatory and shall be applied uniformly in a non-discriminatory manner for all eligible classes of risk; any "a" rated information shall be retained in the insurer's individual underwriting file for each policy issued for a period of 5 years from the date of first issuance of such policy, and shall be available for inspection; a conditional renewal notice shall contain the specific reason or reasons for conditional renewal and set forth the amount of any premium increase or a reasonable estimate of the premium increase which shall not exceed a range of 5% of the actual amount; and that every notice of cancellation shall specify the grounds for cancellation and shall contain reference to the applicable subsection of Section 3426 (c). [Stipulation approved December 3, 2005.]

<b>LICENSEE</b>	<b>ADDRESS</b>	<b>PENALTY</b>
Metropolitan General Insurance Company	700 Quaker Lane Warwick, RI	\$24,750 fine
Respondent violated Section 3425 of the Insurance Law by exceeding the maximum number of Private Passenger automobile non-renewals permitted for calendar year 2002. [Stipulation approved December 22, 2004.]		

<b>LICENSEE</b>	<b>ADDRESS</b>	<b>PENALTY</b>
National-Ben Franklin Insurance Company of Illinois	120 South Riverside Plaza Chicago, IL	\$31,050 fine
Respondent violated Section 5106 of the Insurance Law and Department Regulation 68 (11 NYCRR Part 65) which require that: an insurer must send a no-fault application within 5 business days after receipt of notice of claim at its claim processing office; an insurer must send a follow-up no-fault application if the original application is not returned within 30 calendar days; payment or denial of claim must be made within 30 calendar days of receipt of relevant information and/or proof of claim; and that all overdue PIP benefits shall bear interest at a rate of 2 percent per month, compounded and calculated on a pro rata basis using a 30 day month. [Stipulation approved December 16, 2004.]		

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<b>LICENSEE</b>	<b>ADDRESS</b>	<b>PENALTY</b>
OneBeacon American Insurance Company	One Beacon Street Boston, MA	\$56,000 fine
Respondent violated Respondent violated Section 3426 of the Insurance Law and Department Regulations 57, 96 and 129 (11 NYCRR Parts 160, 62 and 161 respectively) which require that: an insurer must charge filed rates; at least 45 days but not more than 60 days in advance of the expiration date of the policy, every insurer shall deliver an anti-arson application to the named insured; rating plans for eligibility purposes may only be used in the rating of risks which generate certain enumerated basic limits premium; the use of a filed and approved experience rating, schedule rating, IRPM or expense reduction plan is mandatory and shall be applied uniformly in a non-discriminatory manner for all eligible classes of risk; a covered policy shall remain in effect pursuant to the same terms, conditions and rates unless written notice is given to the insured and his authorized agent or broker indicating the insurer's intention to condition its renewal on certain enumerated changes; a conditional renewal notice shall contain the specific reason or reasons for conditional renewal and set forth the amount of any premium increase or a reasonable estimate of the premium increase which shall not exceed a range of 5% of the actual amount; and that every notice of cancellation shall specify the grounds for cancellation and shall contain reference to the applicable subsection of Section 3426(c). [Stipulation approved January 1, 2005.]		

<b>LICENSEE</b>	<b>ADDRESS</b>	<b>PENALTY</b>
Preferred Mutual Insurance Company	One Preferred Way New Berlin, NY	\$8,300 fine
Respondent violated Respondent violated Section 5106 of the Insurance Law and Department Regulation 68 (11 NYCRR Part 65) which require that payment or denial of claim must be made with 30 calendar days of receipt of relevant information and/or proof of claim; and that all overdue PIP benefits shall bear interest at a rate of 2 percent per month, compounded and calculated on a pro rata basis using a 30-day month. [Stipulation approved November 9, 2004.]		

<b>LICENSEE</b>	<b>ADDRESS</b>	<b>PENALTY</b>
Progressive Northwestern Insurance	6300 Wilson Mills Road Mayfield Village, OH	\$4,500 fine
Respondent violated Section 3425 of the Insurance Law by exceeding the maximum number of Private Passenger automobile non-renewals permitted for calendar year 2002. [Stipulation approved December 2, 2004.]		

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<b>LICENSEE</b>	<b>ADDRESS</b>	<b>PENALTY</b>
Public Service Mutual Insurance Company	One Park Avenue New York, NY	\$40,400 fine
<p>Respondent violated Respondent violated Section 3426 of the Insurance Law and Department Regulations 57, 129, 96 and 86 (11 NYCRR Parts 160, 161, 62 and 16 respectively) which require that: an insurer must charge filed rates; rating plans for eligibility purposes may only be used in the rating of risks which generate enumerated basis limits premium; an insurer must utilize a filed and approved rating plan and apply it in a non-discriminatory manner for all eligible classes of risk; individual underwriting files shall contain the specific criteria relative to the risk being rated and document the particular circumstances that support each debit or credit; any "a" rated information shall be retained in the insurer's individual underwriting file for each policy issued for period of 5 years from the date of first issuance of such policy, and shall be available for inspection; every insurer, broker or agent shall furnish an anti-arson application prior to or at any time a risk is submitted or bound; in order to qualify for placement in the FTZ, a risk must either produce an annual premium of \$100,000 for one kind of insurance, or be enumerated in the list contained in Section 16.12(e) of Regulation 86; the required FTZ notice shall appear conspicuously on the front page of each binder, policy, contract, rider, or endorsement and on all subsequent additions thereto; a covered policy shall remain in effect pursuant to the same terms, conditions and rates unless written notice is given to the insured and his authorized agent or broker indicating the insurer's intention to condition its renewal on certain enumerated changes; and that a non-renewal notice, a conditional renewal notice and a second alternative notice shall contain the specific reason or reasons for non renewal or conditional renewal. [Stipulation approved January 18, 2005.]</p>		

### **AGENT AND BROKERS HEARINGS**

**Region: New York City**

<b>LICENSEE</b>	<b>ADDRESS</b>	<b>PENALTY</b>
Amigo Insurance Agency Corp. (Broker)	79-15 Northern Blvd. Jackson Heights, NY	Licenses revoked
William Aristizabal (Broker and Sublicensee)	226 N. Wantagh Ave. Bethpage, NY	
<p>Respondents issued 16 insurance premium checks that were dishonored by the bank upon which they were drawn and failed to remit and account for 7 premium payments received from its sub-producer. Respondents were also decertified by the New York Automobile Insurance Plan (NYAIP) for one year for violations of the NYAIP's rules and Respondents failed to cooperate with the Department's investigation. [Order issued December 14, 2004.]</p>		

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<b>LICENSEE</b>	<b>ADDRESS</b>	<b>PENALTY</b>
<b>Elliot J. Kozak (Agent)</b>	<b>104-21 68th Dr. No B 66 Forest Hills, NY</b>	<b>License revoked</b>
Respondent failed to disclose a criminal conviction on his agent's license application. In addition, the Prudential Insurance Company of American terminated the Respondent's employment based on the fact that he had failed to disclose his criminal conviction on his Pre-Hire Consent Form. The Respondent was ordered by the Department to pay a \$3,000 fine which he failed to do which resulted in the revocation of his license. [Order issued September 23, 2004.]		

**Region: Westchester**

<b>LICENSEE</b>	<b>ADDRESS</b>	<b>PENALTY</b>
Exception Insurance Agency, Inc. (Broker)	30 Point Street Yonkers, NY	Licenses revoked
Monetj A. Primm (Broker and Sublicensee)	Same as above	
Respondents issued approximately 60 premium payment checks that were dishonored by the bank upon which they were drawn. Respondents failed to cooperate with the Department's investigation. [Order issued November 1, 2004.]		

<b>LICENSEE</b>	<b>ADDRESS</b>	<b>PENALTY</b>
Jeffrey C. Curtin (Agent)	2032 N W 46 <sup>th</sup> Oklahoma City, OH	License revoked
Respondent failed to cooperate with the Department's investigation of the denial by North Carolina of Respondent's insurance license application. [Order issued November 1, 2004.]		

<b>LICENSEE</b>	<b>ADDRESS</b>	<b>PENALTY</b>
Lance M. Kessler (Agent)	11146 Vance Jackson, Apt. 3501 San Antonio, TX	License revoked
Respondent's insurance producer's license was revoked by the State of Florida because he failed to respond to its inquiry to him as to his failure to submit a legible fingerprint card. In addition, Respondent failed to cooperate with the Department's investigation. [Order issued November, 2, 2004.]		

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## AGENT AND BROKER STIPULATIONS

### Region: Binghamton

LICENSEE	ADDRESS	PENALTY
Dolores A. Tyneway (Agent and Broker) t/b/a All Lines Insurance Agency	2 Division Street Binghamton, NY	\$500 fine
Respondent commingled her premium account to pay personal and operating expenses using premium monies. [Stipulation approved October 22, 2004.]		

### Region: Jamestown

LICENSEE	ADDRESS	PENALTY
Eric J. Steverson (Agent)	c/o New England Financial 10 4 <sup>th</sup> Street Jamestown, NY	\$1,583 fine
Respondent sold his client an insurance policy without presenting the applicant with a complete disclosure statement, although the Respondent knew or should have known that the new policy was financed, in whole or part, by loans against an existing policy. The new contract was rescinded and the first policy was reinstated. [Stipulation approved August 28, 2004.]		

### Region: Nasssau

LICENSEE	ADDRESS	PENALTY
Jose R. Cordova (Broker)	218-96 99 <sup>th</sup> Avenue Queens Village, NY	\$500 fine
Respondent was placed on the certified check requirement list by the New York Automobile Insurance Plan for issuing checks that were dishonored by the bank upon which drawn. In addition, Respondent transacted insurance business in the name of an unlicensed entity. [Stipulation approved October 25, 2004.]		

LICENSEE	ADDRESS	PENALTY
Andre P. Hamilton (Independent Adjuster)	100-30 Francis Lewis Blvd. Queens Village, NY	\$500 fine
Respondent failed to disclose on his original application that he was convicted of misdemeanor assault. [Stipulation approved September 15, 2004.]		

LICENSEE	ADDRESS	PENALTY
Myriam Turner (Agent)	2444 Coventry Road N. W. Hempstead, NY	\$500 fine
Respondent issued checks that were dishonored by the bank upon which drawn. [Stipulation approved October 25, 2004.]		

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**Region: New York City**

<b>LICENSEE</b>	<b>ADDRESS</b>	<b>PENALTY</b>
William Abba (Broker)	1336 Myrtle Avenue PO Box 37-0709 Brooklyn, NY	\$2,500 fine
Respondent submitted inaccurate information on several automobile insurance policy applications with regard to the name of the insured, vehicle owner and vehicle address. [Stipulation approved November 3, 2004.]		

<b>LICENSEE</b>	<b>ADDRESS</b>	<b>PENALTY</b>
All Around Enterprise, Inc. (Broker)	1206 St. Nicholas Avenue New York, NY	\$500 fine
George Suarez (Sublicensee)	Same as above	
Respondents were placed on the certified check requirement list by the New York Automobile Insurance Plan for issuing checks that were dishonored by the bank upon which drawn but were subsequently replaced. [Stipulation approved September 20, 2004.]		

<b>LICENSEE</b>	<b>ADDRESS</b>	<b>PENALTY</b>
Bowery Insurance Brokerage, Inc. (Broker)	70 Bowery, Suite 28 New York, NY	\$500 fine
Yuen Man Tse (Broker and Sublicensee)	35 Montgomery Street - Apt. 11B New York, NY	
Respondents were placed on the certified check requirement list by the New York Automobile Insurance Plan for issuing checks that were dishonored by the bank upon which drawn. [Stipulation September 20, 2004.]		

<b>LICENSEE</b>	<b>ADDRESS</b>	<b>PENALTY</b>
Thony Darand (Agent and Broker)	8823 Flatlands Avenue Brooklyn, NY	\$1,500 fine
Respondent violated the New York Automobile Insurance Plan rules and regulations which resulted in the one year suspension of the Respondent's privilege to write insurance for the Plan and issued 9 insurance transmittal checks that were dishonored by the bank upon which they were drawn but were subsequently replaced. In addition, Respondent failed to reply to Departmental inquiries concerning the issuance of dishonored checks, but has since provided the requested information. [Stipulation approved September 20, 2004.]		

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<b>LICENSEE</b>	<b>ADDRESS</b>	<b>PENALTY</b>
The Silmi Corp. (Broker)  Yehad M. Adelaziz (Sublicensee and Broker)	4909 7 <sup>th</sup> Avenue PO Box 320635 Brooklyn, NY	\$1,000 fine
Respondents were placed on the certified check requirement list by the New York Automobile Insurance Plan for issuing checks that were dishonored by the bank upon which drawn. In addition, Respondent commingled funds in their premium account. [Stipulation approved January 6, 2005.]		

<b>LICENSEE</b>	<b>ADDRESS</b>	<b>PENALTY</b>
Serres, Visone & Rice Inc. (Broker and Agent)  Thomas G. Hansson (Sublicensee)	108 Greenwich Street, 4 <sup>th</sup> Fl. New York, NY  Same as above	\$500 fine
Respondents failed to notify Travelers Property Casualty Insurance of a change of address for one of the Respondents client's and also failed to forward the non payment of premium information received from the insurer to the client that led to a cancellation by the insurer of the client's major medical expense coverage policy. [Stipulation approved December 10, 2004.]		

**Region: Suffolk**

<b>LICENSEE</b>	<b>ADDRESS</b>	<b>PENALTY</b>
Robert Beegel (Agent)	339 Woodbury Road Woodbury, NY	\$2,500 fine
Respondent submitted inaccurate information with his agent's renewal license application concerning the continuing education courses and programs of instruction that he had completed in satisfaction of the course requirements. [Stipulation approved September 27, 2004.]		

<b>LICENSEE</b>	<b>ADDRESS</b>	<b>PENALTY</b>
James A. Wallace (Agent)	c/o Endorsed Administrators, Inc. 2157 Union Blvd. Bay Shore, NY	\$5,000.00 fine
Respondent violated Section 2133 of the Insurance Law by issuing forged insurance identification cards that falsely stated that insurers had issued automobile insurance policies. [Stipulation approved October 27, 2004.]		

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**Region: Westchester**

<b>LICENSEE</b>	<b>ADDRESS</b>	<b>PENALTY</b>
Adam D. Sanders (Broker)	75A Lake Road, Ste. #150 Congers, NY	\$750 fine
Respondent issued a client an auto insurance coverage identification card without the carrier's authorization and/or knowledge and had no authority to bind the carrier. [Stipulation approved September 24, 2004.]		

**Region: Out of State**

<b>LICENSEE</b>	<b>ADDRESS</b>	<b>PENALTY</b>
Angelo Ciciretti (Agent)	2932 SW 2 Lane Cape Coral, FL	\$1,000 fine
Respondent failed to disclose on his original agent's license application that his title insurance license was suspended by the State of Florida for misappropriating fiduciary monies. [Stipulation approved September 23, 2004.]		

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