

New York State Department of Financial Services

ISSUED: December 7, 2016

NEW YORK STATE DEPARTMENT OF FINANCIAL SERVICES TAKES DISCIPLINARY ACTIONS AGAINST COMPANIES, AGENTS, BROKERS & ADJUSTERS

The New York State Department of Financial Services 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
Aetna Life Insurance Company	151 Farmington Avenue Hartford, CT 06156	\$550,000 fine
Respondent, in connection with its student health coverage program, issued coverage that did not conform to the provisions of Section 3240 of the Insurance Law; made a binding commitment to issue a student blanket health insurance policy to a school prior to approval of such policy and premium rates; failed to submit for approval a basic policy, any riders providing variable benefits, and premium rates for each benefit before offering to sell any coverage under such policies; offered for sale a “tailor-made” student blanket health insurance policy prior to obtaining approval of the language and rate for each benefit provision of the policy; and solicited and enrolled students prior to approval of the student blanket health insurance program. [Stipulation approved March 8, 2016.]		

LICENSEE	ADDRESS	PENALTY
Allstate Fire and Casualty Insurance Company	2775 Sanders Road Northbrook, IL 60062	\$50,000 fine
Respondent, during the approximate period March 2011 through December 2013, in connection with certain automobile insurance policies, violated Section 2350(b) of the Insurance Law, that states no rate increase may be implemented until the onset of the new policy period and unless the insurer, at least 30 but not more than 60 days in advance of the end of the policy period, mails or delivers to the named insured, at the address shown in the policy, a written notice of its intention to change the rate [Stipulation approved January 14, 2016.]		

LICENSEE	ADDRESS	PENALTY
Allstate Insurance Company	2775 Sanders Road Northbrook, IL 60062	\$50,000 fine
Respondent, during the approximate period March 2011 through December 2013, in connection with certain automobile insurance policies, violated Section 2350(b) of the Insurance Law, that states no rate increase may be implemented until the onset of the new policy period and unless the insurer, at least 30 but not more than 60 days in advance of the end of the policy period, mails or delivers to the named insured, at the address shown in the policy, a written notice of its intention to change the rate [Stipulation approved January 14, 2016.]		

LICENSEE	ADDRESS	PENALTY
Allstate Property and Casualty Insurance Company	2775 Sanders Road Northbrook, IL 60062	\$50,000 fine
Respondent, during the approximate period March 2011 through December 2013, in connection with certain automobile insurance policies, violated Section 2350(b) of the Insurance Law, that states no rate increase may be implemented until the onset of the new policy period and unless the insurer, at least 30 but not more than 60 days in advance of the end of the policy period, mails or delivers to the named insured, at the address shown in the policy, a written notice of its intention to change the rate [Stipulation approved January 14, 2016.]		

LICENSEE	ADDRESS	PENALTY
Athene Life Insurance Company of New York	7700 Mills Civic Parkway West Des Moines, IA 50266	\$142,193 fine
Respondent failed to render an essential service on a regular and systematic basis in accordance with an approved service agreement, used an unapproved policy form, and failed to obtain written informed consent prior to subjecting applicants to HIV related testing; took reserve credits under an agreement, amendment, or binding letter of intent that were not duly executed by both parties no later than the 'as of date' of the financial statement; failed to furnish the existing insurer a copy of the sales material used in the sale of the proposed life insurance policy and the completed Disclosure Statement within ten days of receipt of the application; failed, within ten days from the date of receipt of an application, to either have any deficiencies in required forms corrected or reject the application and notify the applicant of such rejection together with the reason(s) for the rejection; failed to have a copy of the illustration used in the sale of the policy signed by the applicant at the time of application; and issued checks that contained language that expressly stated that acceptance of such check shall constitute a final settlement or release of any or all future obligations arising out of the loss. [Stipulation approved February 19, 2016.]		

LICENSEE	ADDRESS	PENALTY
BCS Insurance Company	6740 North High Street Worthington, OH 43085	\$100,000 fine
<p>Respondent, in connection with its student health coverage program, issued coverage that did not conform to the provisions of Section 3240 of the Insurance Law; delivered or issued for delivery policy forms that were not filed with and approved by the Superintendent as conforming to the requirements of this chapter and not inconsistent with law; made a binding commitment to issue a student blanket health insurance policy to a school prior to approval of such policy and premium rates; failed to submit for approval a basic policy, any riders providing variable benefits, and premium rates for each benefit before offering to sell any coverage under such policies; and solicited and enrolled students prior to approval of the student blanket health insurance program. [Stipulation approved March 8, 2016.]</p>		

LICENSEE	ADDRESS	PENALTY
Companion Life Insurance Company	888 Veterans Memorial Highway Hauppauge, NY 11788	\$146,485 fine
<p>Respondent, during the approximate period January 1, 2008 through December 31, 2011, failed to comply or engaged in other practices that prevented its intended purpose in the protection of policyholders and contractholders; failed to furnish the insurer whose coverage was being replaced, with a completed Disclosure Statement and a copy of any proposal, within ten days of receipt of the application; failed to reject the application when the required forms were not received or the forms did not meet the requirements of Regulation No. 60; failed to provide a revised Disclosure Statement in situations where the life insurance policy or annuity contract issued differed from the life insurance policy or annuity contract applied for; failed to obtain written consent from applicants when alterations were made to the applications after the issuance of term life policies; failed to disclose the death benefit on the annual statement sent to contract holders; and disseminated premium due notices that failed to contain the required language that the policy shall terminate or lapse “except as to the right to any cash surrender or nonforfeiture benefit.” [Stipulation approved July 18, 2016.]</p>		

LICENSEE	ADDRESS	PENALTY
First Symetra National Life Insurance Company of New York	P.O. Box 34690 Seattle, WA 98124	\$249,580 fine
<p>Respondent, during the approximate period January 1, 2013 through April 16, 2013, violated the following Sections 403(d); 3201(c) and (c)(2); 3204(a)(1); 3220(a)(1), (2), (3), (6) and (8) of the Insurance Law, and Regulation No. 143 [11 NYCRR 41.5(e)(1) and (4)]. [Stipulation approved August 31, 2016.]</p>		

LICENSEE	ADDRESS	PENALTY
First Symetra National Life Insurance Company of New York	P.O. Box 34690 Seattle, WA 98124	\$5,700 fine
Respondent failed to examine and ascertain that the Disclosure Statement used in the sale of the proposed policy or annuity contract was accurate and met the requirements of Regulation No. 60; and failed to have any deficiencies corrected or reject the application and so notify the applicant of such rejection and the reason therefore, within ten days from the date of receipt of application. [Stipulation approved April 21, 2016.]		

LICENSEE	ADDRESS	PENALTY
Great-West Life & Annuity Insurance Company of New York	489 5 th Avenue New York, NY 10017	\$63,400 fine
Respondent utilized advertisements that failed to contain a statement of the separate financial condition of the insurer; failed to disclose in its advertisement that issuance of the policy or payment of benefits may depend upon the answers given in the application and the truthfulness thereof; failed to maintain at its home office a complete file containing a specimen copy of every printed, published or prepared advertisement hereafter disseminated in this State, with a notation indicating the manner and extent of distribution and the form number of any policy advertised; failed to examine and ascertain that the Disclosure Statement used in the sale of the proposed policy or annuity contract was accurate and met the requirements of Regulation No. 60; failed to reject the application where the required forms were not received with the application, the forms did not meet the requirements of Regulation No. 60, or the forms were not accurate; had an affiliate perform services on a regular or systematic basis without notifying the Superintendent in writing of its intention to enter into any such transaction at least thirty days prior thereto; issued insurance policies without a copy of the signed illustration being submitted to the insurer at the time of policy application; and unilaterally modified insurance policies such that policyholders could be adversely affected. [Stipulation approved May 23, 2016.]		

LICENSEE	ADDRESS	PENALTY
Hartford Casualty Insurance Company	One Hartford Plaza Hartford, CT 06155	\$15,000 fine
Respondent exceeded the maximum number of private passenger automobile non-renewals permitted for the calendar year 2015. [Stipulation approved October 17, 2016.]		

LICENSEE	ADDRESS	PENALTY
Standard Security Life Insurance Company of New York	485 Madison Avenue New York, NY 10002	\$41,250 fine
Respondent used policy forms that were not filed with and approved by the Superintendent; and had an affiliate perform investing services on a regular or systematic basis without notifying the Superintendent in writing of its intention to enter into any such transaction at least thirty days prior thereto. [Stipulation approved May 23, 2016.]		

AGENT AND BROKER HEARINGS

Region: Mid-Island

LICENSEE	ADDRESS	PENALTY
Fred R. Rossetti (Agent)	7600 Jericho Turnpike Woodbury, NY 11797	License Revoked
Respondent misappropriated funds he received from an annuitant; conducted business using an unapproved name; and failed to respond to Departmental investigatory letters, thereby hampering and impeding the Department's investigation. Respondent also failed to pay taxes to the New York State Department of Taxation and Finance. [Order issued October 27, 2016.]		

Region: New York

LICENSEE	ADDRESS	PENALTY
Dashana B. Hamilton (Agent)	12 Patchen Avenue Brooklyn, NY 11221	License Revoked
Respondent failed to disclose that she was the subject of a criminal prosecution in her original application for an agent's license; failed to notify the Department of a subsequent criminal prosecution within thirty days of the initial pre-trial hearing date, and failed to respond to Departmental investigatory letters or appear at the Department's office as directed, thereby hampering and impeding the Department's investigation. [Order issued October 17, 2016.]		

Region: Syracuse

LICENSEE	ADDRESS	PENALTY
Schuyler W. Hellings (Broker)	104 Kessler Lane Fayetteville, NY 13066	License Revoked
Respondent, while acting in his capacity as Treasurer for the Independents Insurance Agents of Central New York, Inc. (“IACNY”), misappropriated funds from said organization for his personal use, and presented fraudulent financial reports to IACNY’s Board of Directors that overstated the amounts in IACNY accounts. [Order issued October 17, 2016.]		

Region: Utica

LICENSEE	ADDRESS	PENALTY
Kenneth Earl Lott Jr. (Agent)	2015 Holland Avenue Utica, NY 13501	License Revoked
Respondent’s insurance licenses were revoked by the States of Delaware and Ohio. Respondent failed to notify the Superintendent of the aforesaid administrative actions within thirty days of the final disposition of the matter and failed to respond to Departmental investigatory letters seeking information about the aforesaid administrative actions, thereby hampering impeding the Department’s investigation. [Order issued October 17, 2016.]		

Region: Out of State

LICENSEE	ADDRESS	PENALTY
Linda Kaufert (Agent)	901 Saunders Road Kaukauna, WI 54130	License Revoked
Respondent failed to disclose in her original application for an agent’s license that she was convicted of Embezzlement of Funds by a Bank Employee. Respondent was the subject of administrative actions by the States of Florida, Mississippi, Idaho, Wyoming, Indiana, North Dakota and Georgia. Respondent failed to notify the Superintendent of the aforesaid administrative actions within thirty days of the final disposition of the matter and failed to respond to Departmental investigatory letters seeking information and documentation, thereby hampering impeding the Department’s investigation. [Order issued October 17, 2016.]		

LICENSEE	ADDRESS	PENALTY
Anthony Moore (Agent)	1214 N 8th Street Nashville, TN 37207	License Revoked
Respondent was subject of administrative actions by the State of Tennessee. Respondent failed to notify the Superintendent of the aforesaid administrative actions within thirty days of the final disposition of the matter, and failed to notify the Department of an address change within thirty days. Respondent also failed to respond to Departmental investigatory letters seeking information about other administrative actions taken against Respondent in other states, thereby hampering impeding the Department's investigation. [Order issued October 17, 2016.]		

STIPULATIONS

Region: Mid-Island

LICENSEE	ADDRESS	PENALTY
Daniel Abreu (Agent and Broker)	244 Thunder Road Holbrook, NY 11741	\$2,250 fine
Respondent failed to disclose on his renewal applications for his agent and broker's licenses that he was currently charged with a crime and failed to notify the Superintendent within 30 days of the initial pretrial hearing date that he was the subject of a criminal prosecution. [Stipulation approved September 29, 2016.]		

Region: Nassau

LICENSEE	ADDRESS	PENALTY
David Narine (Agent and Broker)	371 Waukena Avenue Oceanside, NY 11572	\$3,000 fine
Respondent failed to disclose in his relicensing application for a broker's license and his original application for an agent's license that all licenses issued to him by the New York State Insurance Department ("NYSID") were revoked by the NYSID in 1995 and that he was fined by the NYSID in 1990. [Stipulation approved October 7, 2016.]		

Region: New York

LICENSEE	ADDRESS	PENALTY
Thomas K. Barber (Agent)	c/o Northwestern Mutual Life 245 Park Avenue New York, NY 10167	\$2,250 fine
Respondent failed to disclose on his renewal application for an agent's license that he was the subject of administrative actions by the States of Florida and California and failed to notify the Department within thirty days that he was the subject of the above administrative actions. [Stipulation approved October 14, 2016.]		

LICENSEE	ADDRESS	PENALTY
New Era Planning Group Inc. (Agent)	8403 7 th Avenue Brooklyn, NY 11228	Licenses Revoked
Simmons Planning Group & Agency Inc. (Agent)	Same as above	
Paul Simoneschi (Agent and Sublicensee)	Same as above	
Respondents failed to notify the Superintendent within 30 days of the initial pretrial hearing date that Respondent, Paul Simoneschi, while previously licensed as an agent was the subject of a criminal prosecution. Respondents also hampered and impeded the Department's investigation by failing to respond to several Department investigatory letters. [Stipulation approved October 21, 2016.]		

Region: Westchester

LICENSEE	ADDRESS	PENALTY
GS Adjustment Company Incorporated (Public Adjuster)	42 Holmes Lane Bedford, NY 10506	\$3,000 fine
Gary A. Schwartz (Broker, Public Adjuster and Sublicensee)	Same as above	
Respondents transacted insurance business as public adjusters in the State of New York without a license and transacted insurance business as public adjusters under an unlicensed agency name. [Stipulation approved April 21, 2016.]		

Region: Out of State

LICENSEE	ADDRESS	PENALTY
Deise E. Brito (Agent)	113 Sisson Street Pawtucket, RI 02860	License Revoked
Respondent failed to disclose on her original and renewal applications for an agent's license that she was currently charged with committing a crime. Respondent also had an insurance producer's license revoked in another State. [Stipulation approved October 5, 2016.]		

LICENSEE	ADDRESS	PENALTY
Erinn Keller (Agent)	3455 E. San Carlos Place Chandler, AZ 85249	\$1,500 fine
Respondent failed to notify the Department within thirty days that she was the subject of administrative actions by the States of Minnesota and Indiana. Respondent also changed her business and residence addresses and failed to notify the Department of the changes within thirty days. [Stipulation approved April 21, 2016.]		

LICENSEE	ADDRESS	PENALTY
Shelly Dawn Lucken (Agent and Life Broker)	8233 W. 133rd Place Savage, MN 55378	\$1,500 fine
Respondent failed to disclose in her original application for a life broker's license and in her relicensing application for an agent's license that she was fined by the State of Minnesota. [Stipulation approved October 5, 2016]		

LICENSEE	ADDRESS	PENALTY
Certified Title Agency (Title Agent)	11459 Cronhill Drive Owings Mill, MD 21117	\$2,000 fine
Stephen B. Millstein (Title Agent and Sublicensee)	Same as above	
<p>Respondents failed to report to the Superintendent within 30 days of the final disposition of the matter that the Missouri Department of Insurance, Financial Institutions and Professional Registration took an administrative action against Respondent Certified Title Agency. Respondents also failed to disclose in Respondent Certified Title Agency's original application for a title insurance agent's license that Respondent Certified Title Agency was fined by the Florida Department of Financial Services and that Respondent Certified Title Agency was ordered to cease and desist from engaging in certain conduct by the Virginia State Corporation Commission. [Stipulation approved October 5, 2016.]</p>		

LICENSEE	ADDRESS	PENALTY
Larry Michael Phillips (Agent)	5715 Starwood Court Westlake Village, CA 91362	License Revoked
<p>Respondent failed to disclose on his original and renewal applications for his agent's license that he was fined by the National Association of Securities Dealers. [Stipulation approved June 10, 2016.]</p>		

LICENSEE	ADDRESS	PENALTY
Charles R. Skinner (Agent)	PO Box 279 Oriental, NC 28571	\$750 fine
<p>Respondent acted as an insurance agent regarding two insurance policies without having a license. [Stipulation approved October 21, 2016.]</p>		