

New York State Insurance Department

ISSUED: 3/26/07

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
Allianz Life Insurance Company of New York	One Chase Manhattan Plaza, 37th Floor New York, NY 10005	\$300,000 fine
Respondent violated various provisions of the Insurance Law, including Section 1505(d)(3) by failing to notify the Superintendent in writing of its intention to enter into agreements with affiliates, and Section 1202(b)(2) by failing to have its Audit and Evaluation Committee properly evaluate the performance and approve the salaries of its principal officers. Respondent also failed to comply with various Department Regulations, including: Section 91.4(f)(5) of Department Regulation No. 33 [11 NYCRR 91.4(f)(5)] when it used earned premium as basis to allocate expenses by line of business and among companies; Section 219.5(a) of Department Regulation No. 34-A [11 NYCRR Section 219.5(a)] and Section 215.17(a) of Department Regulation No. 34 [11 NYCRR 215.17(a)] by not maintaining a complete advertising file and not maintaining such file at its home office. Respondent also failed to comply with various provisions of Department Regulation No. 60 [11 NYCRR Part 51] in connection with the replacement of life insurance policies or annuity contracts. [Stipulation approved February 16, 2007]		

LICENSEE	ADDRESS	PENALTY
MVP Health Insurance Company	111 Liberty Street Schenectady, NY 12305	\$150,000 fine
MVP Health Plan, Inc.	625 State Street Schenectady, NY 12305	
Respondents violated Section 3224-a of the Insurance Law by failing to process certain claims within the requisite period of time, and by failing to pay interest on certain claims. Respondents also violated Section 3234 by failing to provide explanation of benefit forms, and by failing to provide explanation of benefit forms that complied with the statute. [Stipulation approved February 16, 2007]		

AGENT AND BROKER HEARINGS

Region: New York City

LICENSEE	ADDRESS	PENALTY
John Joseph Heyrich 3 rd (Agent)	Church Street Station P.O. Box 1302 New York, NY 10008	License Revoked
Respondent failed to respond to investigatory letters regarding his termination from an insurance company. [Order issued November 21, 2006.]		

Region: Out of State

LICENSEE	ADDRESS	PENALTY
Luis M. Correa (Agent)	2400 N Wilbur #119 Spokane, WA 99206	License Revoked
Respondent failed to respond to Departmental investigatory letters regarding administrative actions in South Dakota, Georgia and North Carolina. [Order issued November 6, 2006.]		

LICENSEE	ADDRESS	PENALTY
Walter Raymond Hawk, Jr. (Agent)	4300 Goodpasture Loop Eugene, OR 97401	License Revoked
Respondent failed to notify the Department that his license was revoked by the Commonwealth of Virginia. Respondent also failed to respond to Departmental investigatory letters. [Order issued December 20, 2006.]		

AGENT AND BROKER STIPULATIONS

Region: Mid-Hudson

LICENSEE	ADDRESS	PENALTY
Denise A. Bolte (Agent)	12 Traver Road Staatsburg, NY 12589	\$1,750 fine
Respondent failed to comply with Department Regulation 60 in connection with annuity replacement transactions. [Stipulation approved February 20, 2007.]		

LICENSEE	ADDRESS	PENALTY
Juan G. Brito (Broker)	444 Broadway Newburgh, NY 12550	\$500 fine
Respondent issued a premium finance company insurance payment draft that was dishonored by the premium finance company upon which it was drawn and failed to notify the Department of a change in his business and residence addresses. [Stipulation approved January 16, 2007.]		

Region: New York City

LICENSEE	ADDRESS	PENALTY
Elvira Castro (Broker)	887 Hunts Point Avenue Bronx, NY 10474	\$2,500 fine
Respondent issued checks transmitting insurance premium payments that were dishonored by the bank upon which they were drawn and also violated a prior stipulation she entered into with the Department. Respondent subsequently replaced the dishonored checks. [Stipulation approved February 6, 2007.]		

LICENSEE	ADDRESS	PENALTY
Edward Esteve (Broker)	8402 Flatlands Avenue Brooklyn, NY 11236	\$2,500 fine
Respondent commingled premium funds and operating expense funds in his premium account, transacted insurance business under an unlicensed name, collected service fees that exceeded the fee permitted by the New York Automobile Plan rules and failed to timely respond to Departmental investigatory letters requesting information and documentation. [Stipulation approved February 22, 2007.]		

LICENSEE	ADDRESS	PENALTY
Jimenco Brokerage Ltd. (Broker)	42-18 104 th Street Corona, NY 11368	\$4,500 fine
Luis M. Jimenez (Agent and Sublicensee)	Same as above	
Respondents were decertified by the New York Automobile Insurance Plan (NYAIP) for various violations; issued insurance premium payment transmittal checks that were dishonored by the bank upon which they were drawn; collected insurance premium payments and failed to timely remit said payments; and failed to disclose on a renewal application for an agent's license a previous fine by the Department. [Stipulation approved January 4, 2007.]		

LICENSEE	ADDRESS	PENALTY
Panoramic Brokerage Inc. (Broker)	281 East Kingsbridge Road Bronx, NY 10458	Licenses Revoked
Carlos R. Ortiz (Broker and Sublicensee)	Same as Above	
Respondents issued insurance premium payment transmittal checks that were dishonored by the bank upon which they were drawn. Additionally, Respondent Ortiz was fined by the State Of New York, Department of Motor Vehicles and his driving school license was revoked for fraudulent practices. Respondents also failed to disclose the fine and driving school license revocation on their broker renewal license applications. [Stipulation approved February 16, 2007.]		

LICENSEE	ADDRESS	PENALTY
Francisco Pena (Broker)	Penn Multi-Service Center Inc. 949-B Westchester Avenue Bronx, NY 10459	\$1,500 fine
Respondent issued insurance premium payment transmittal checks that were dishonored by the bank upon which they were drawn; transacted insurance business under unlicensed names; commingled premium funds and operating expense funds; and failed to appear at the Department for an audit of his books and records. [Stipulation approved January 24, 2007.]		

LICENSEE	ADDRESS	PENALTY
Pat Rebimbas (Agent)	30 West 63 rd Street New York, NY 10023	\$750 fine
Respondent failed to comply with Department Regulation 60 in connection with annuity replacement transactions. [Stipulation approved February 9, 2007.]		

LICENSEE	ADDRESS	PENALTY
Transworld, Inc. (Broker)	159-11 Hillside Avenue Jamaica, NY 11432	\$3,000 fine
Shoaib Sultan (Broker and Sublicensee) (General Consultant – Pending)	Same as Above	
Respondents placed insurance risks with an unauthorized insurer and otherwise aided and facilitated the unauthorized insurer in doing an insurance business in this State, in violation of Section 2117(a) of the Insurance Law. Respondents also failed to timely respond to Departmental investigatory letters. [Stipulation approved February 14, 2007.]		

LICENSEE	ADDRESS	PENALTY
Myeesha K. White (Broker)	1440 East Avenue Bronx, NY 10462	License Revoked
Respondent was decertified by the New York Automobile Insurance Plan for various violations, failed to properly account for insurance premium payments collected from insureds, changed her business address and failed to notify the Department, and failed to respond to the Department's requests for information and documentation. [Stipulation approved February 9, 2007.]		

Region: Rochester

LICENSEE	ADDRESS	PENALTY
Michael J. Spagnola (Agent)	10 English Woods Rochester, NY 14616	\$1,000 fine
Respondent failed to comply with Department Regulation 60 in connection with annuity replacement transactions. [Stipulation approved January 25, 2007.]		

Region: Suffolk

LICENSEE	ADDRESS	PENALTY
Connelly Insurance Agency Ltd. (Agent and Broker)	1120 Montauk Highway Mastic, NY 11950	\$3,500 fine
Barbara C. Connelly (Agent, Broker and Sublicensee)	Same as above	
Respondents collected service fees from insureds without obtaining signed memorandums specifying the amount of the service fees; collected service fees from insureds that exceeded the fee permitted by the New York Automobile Plan rules; commingled premium funds and operating expense funds in their premium account; and issued insurance premium transmittal checks when funds were not available. [Stipulation approved January 25, 2007.]		

LICENSEE	ADDRESS	PENALTY
Christopher M. Ochlan (Agent)	113 Grissom Way Hauppauge, NY 11788	\$57,187.52 forfeiture
Respondent solicited and sold in the State of New York a life insurance policy that was issued by an insurer that is not licensed in this State. [Stipulation approved January 26, 2007.]		

LICENSEE	ADDRESS	PENALTY
Michael A. Shear (Agent)	24 Downey Court Huntington, NY 11743	\$1,500 fine
Respondent failed to comply with Department Regulation 60 in connection with annuity replacement transactions. [Stipulation approved February 9, 2007.]		

LICENSEE	ADDRESS	PENALTY
Connie M. Varricchio t/b/a Ralph Varricchio Agency (Broker and Agent) Connie M. Varricchio (Agent)	2874 Merrick Road P.O. Box 860 Bellmore, NY 11710	\$2,500 fine
Respondent signed the signatures of two clients on an application for a replacement annuity contract, a Transfer Request Form and Department forms required by Section 2123 of the Insurance Law and Department Regulation 60 with respect to replacement of annuity contracts. [Stipulation approved February 23, 2007.]		

Region: Syracuse

LICENSEE	ADDRESS	PENALTY
John P. Cavanaugh (Agent)	5107 Steinway Drive South Jamesville, NY 13078	\$6,250 fine
Respondent failed to comply with Department Regulation 60 in connection with annuity replacement transactions. [Stipulation approved February 8, 2007.]		

LICENSEE	ADDRESS	PENALTY
Crawford & Company, Inc. (Independent Adjuster) Russell W. Saladin (Sublicensee)	3 Adler Drive P.O. Box 337 East Syracuse, NY 13057 2738 Summer Ridge Road Lafayette, NY 13084	\$500 fine
Respondents failed to notify the Department within thirty days that they were fined by the State of Maine Workers' Compensation Office of Monitoring, Audit and Enforcement and the Commonwealth of Kentucky Department of Labor. [Stipulation approved January 16, 2007.]		

Region: Utica

LICENSEE	ADDRESS	PENALTY
Stanley J. Bilinski (Agent)	1350 Military Road Little Falls, NY 13454	\$1,500 fine
Respondent failed to disclose on two separate renewal applications for his agent's license that he was the subject of administrative proceedings in the States of Illinois, Georgia and Maine. [Stipulation approved February 6, 2007.]		

Region: Westchester

LICENSEE	ADDRESS	PENALTY
Vindas Insurance Agency Inc. (Broker)	644 Main Street New Rochelle, NY 10801	\$2,000 fine
Maria E. Vindas (Agent and Sublicensee)	10 Maple Avenue New Rochelle, NY 10801	
Respondents issued insurance premium payment transmittal checks that were dishonored by the bank upon which they were drawn and commingled funds in their premium account. Respondents subsequently replaced the dishonored checks. [Stipulation approved January 30, 2007.]		

LICENSEE	ADDRESS	PENALTY
Teed J. Welch (Agent)	22 Schoolhouse Road Waccabuc, NY 10597	\$750 fine
Respondent failed to comply with Department Regulation 60 in connection with an annuity replacement transaction. [Stipulation approved February 8, 2007.]		

Region: Out of State

LICENSEE	ADDRESS	PENALTY
Jennifer L. Addison (Agent)	c/o Liberty Mutual Insurance 100 Lincolnway West Mishawaka, IN 46544	\$250 fine
Respondent failed to notify the Department within thirty days that she was fined by the Insurance Commissioner of the State of Oklahoma. [Stipulation approved January 16, 2007.]		

LICENSEE	ADDRESS	PENALTY
Michael P. Adler (Agent)	220 American Way Jamestown, RI 02835	\$750 fine
Respondent failed to disclose on his agent's license renewal application that his insurance producer's license was terminated by the State of Maine Department of Professional and Financial Regulation Bureau of Insurance. Respondent also failed to notify the Department within 30 days that he was fined by the State of Alabama Department of Insurance Legal Division. [Stipulation approved February 23, 2007.]		

LICENSEE	ADDRESS	PENALTY
Alexander Financial Group LLC (Broker) Keith A. Alexander (Broker and Sublicensee)	CBR Professional Solutions 701 Martinsville Road Liberty Corner, NJ 07938 Same as Above	\$1,250 fine
Respondents failed to disclose on their broker renewal license applications that they were fined by the Banking and Insurance Commissioner of the State of New Jersey. Respondents also failed to notify the Department within 30 days of the fine. [Stipulation approved February 12, 2007.]		

LICENSEE	ADDRESS	PENALTY
Gretchen Cash (Agent)	Stanton Benefits Services 17304 Preston Road – Suite 450 Dallas, TX 75252	\$500 fine
Respondent failed to disclose on her original application for an agent's license that she had filed for bankruptcy. [Stipulation approved February 2, 2007.]		

LICENSEE	ADDRESS	PENALTY
Michael J. DeStefano (Broker and Excess Line Broker)	c/o Swett & Crawford Beaver Hill South 100 West Ave. Jenkintown, PA 19046	\$2,000 fine
Respondent failed to disclose on his broker's license renewal applications that he was an officer of a corporation that was fined by the Insurance Departments of the States of Virginia, Colorado, Oregon and Maine. [Stipulation approved February 13, 2007.]		

LICENSEE	ADDRESS	PENALTY
Essick & Barr LLC (Agent and Broker) Charles J. Hopkins (Sublicensee)	108 South 5 th Street P.O. Box 13219 Reading, PA 19612 Same as above	\$500 fine
Respondents failed to disclose on their corporate renewal application for a broker's license that an officer of Essick & Barr LLC had an administrative action taken against him by the Commonwealth of Pennsylvania Insurance Department. [Stipulation approved January 30, 2007.]		

LICENSEE	ADDRESS	PENALTY
James Albert Barry Jr. (Agent)	40 SE 5 th Street – Suite 600 Boca Raton, FL 33432	\$1,500 fine
Respondent failed to disclose on his renewal applications for his agent's license that he had complaints pending against him with the National Association of Securities Dealers (NASD) and failed to notify the Department of the final determinations of said complaints. [Stipulation approved January 24, 2007.]		

LICENSEE	ADDRESS	PENALTY
Barry Falk (Agent)	7917 Charlemont Point Lake Worth, FL 33467	\$4,500 fine
Respondent failed to comply with Department Regulation 60 in connection with annuity replacement transactions. [Stipulation approved January 25, 2007.]		

LICENSEE	ADDRESS	PENALTY
William Phillip Fralic (Broker)	1145 Sanctuary Parkway Alpharetta, GA 30004	\$500 fine
Respondent failed to disclose on his application for a broker's license that he was the subject of administrative actions in the States of Virginia, Colorado, and Pennsylvania. [Stipulation approved January 3, 2007.]		

LICENSEE	ADDRESS	PENALTY
Gremesco Corporation (Broker and Excess Line Broker)	195 Brooklawn Ave Bridgeport, CT 06604	\$50,000 fine
Christopher Larson (Sublicensee)	Same as above	
Gremesco of New York Corp. (Broker and Excess Line Broker)	2392 Route 6 Brewster, NY 10509	
David S. Moody (Broker, Excess Line Broker and Sublicensee)	22 Carole Place Mahopac, NY 10541	
Grem-NJ t/b/a Gremesco of New Jersey LLC (Broker and Excess Line Broker)	1711 Ginesi Drive Freehold, NJ 07728	
Joseph V. Certo (Broker, Excess Line Broker and Sublicensee)	Same as above	
Respondents Gremesco Corporation and Gremesco of New Jersey LLC accepted insurance business under their unlicensed names and Respondent Gremesco of New York Corp. filed affidavits and paid premium taxes for various excess line placements that were procured by other licensees. [Stipulation approved February 22, 2007.]		

LICENSEE	ADDRESS	PENALTY
Juntaro Kawai (Agent)	1301 Richmond Avenue Houston, TX 77006	\$250 fine
Respondent failed to notify the Department within thirty days that he was convicted in the State of Texas District Court, Harris County, of driving while intoxicated, a misdemeanor. [Stipulation approved February 27, 2007.]		

LICENSEE	ADDRESS	PENALTY
James Leggett Kitchin Jr. (Broker)	c/o HILB Rogal and Hobbs of Virginia Inc. 4951 Lake Brook Drive Glen Allen , VA 23060	\$500 fine
Respondent failed to disclose on his broker's license application that he was the President of a Corporation that was fined by the Commonwealth of Virginia Corporation Commission. [Stipulation approved February 14, 2007.]		

LICENSEE	ADDRESS	PENALTY
Raymond Kostyack (Agent)	438 Poe Avenue Westfield, NJ 07090	\$750 fine
Respondent failed to comply with Department Regulation 60 in connection with annuity replacement transactions. [Stipulation approved February 7, 2007.]		

LICENSEE	ADDRESS	PENALTY
Jerry Sandidge (Agent)	9 Country Closet lane Wayne, ME 04284	\$500 fine
Respondent failed to disclose on his agent license application that he was fined and put on probation by the Mississippi Insurance Department. Respondent also failed to notify the Department within 30 days that he was fined by the Insurance Commissioner of the State of Delaware. [Stipulation approved February 23, 2007.]		

LICENSEE	ADDRESS	PENALTY
James E. Titus (Agent and Excess Line Broker)	c/o American Program Underwriters Inc. 214 Senate Avenue – Suite 201 Camp Hill, PA 17011	\$750 fine
Respondent failed to disclose on his renewal applications for excess line broker and agent licenses that he was subject to an administrative action in the State of New Jersey. Respondent also failed to timely respond to Departmental letters. [Stipulation approved December 1, 2006.]		

LICENSEE	ADDRESS	PENALTY
Richard S. Weiner (Agent)	50 Blackstone Drive Livingston, NJ 07039	\$1,000 fine
Respondent failed to comply with Department Regulation 60 in connection with annuity replacement transactions. [Stipulation approved January 25, 2007.]		

LICENSEE	ADDRESS	PENALTY
Julie A. Woods (Agent)	5534 8 th Street Zephyrhills, FL 33541	\$500 fine
Respondent failed to timely respond to Departmental investigatory letters requesting information related to her bankruptcy filing. [Stipulation approved January 12, 2007.]		

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