

No. **4150**

**OFFICIAL ORDER
of the
TEXAS COMMISSIONER OF INSURANCE**

Date: OCT 12 2015

Subject Considered:

AMERICAN MATAR INTERNATIONAL, INC.
2500 East Colorado Boulevard, No. 330
Pasadena, California 91107

CONSENT ORDER
TDI ENFORCEMENT FILE NO. 5601

General remarks and official action taken:

The commissioner of insurance considers whether disciplinary action should be taken against American Matar International, Inc.

Waiver

American Matar International, Inc. acknowledges that the Texas Insurance Code and other applicable law provide certain rights. AMI waives all of these rights, and any other applicable procedural rights, in consideration of the entry of this consent order. Pursuant to TEX. INS. CODE § 82.055(b), AMI agrees to this consent order with the express reservation that it does not admit to a violation of the code or of a rule and that the existence of a violation is in dispute.

Findings of Fact

1. American Matar International, Inc., organization identification no. 37065, holds a non-resident general lines property and casualty license issued by the Texas Department of Insurance on February 12, 2010.
2. AMI is owned by Lana Matar, individual identification no. 876529, who holds a non-resident general lines property and casualty license issued by TDI on January 19, 2010.
3. AMI executed at least 27 power of attorney agreements with Texas consumers. These agreements have all been revoked, and AMI has ceased its practice of entering into power of attorney agreements with Texas consumers.
4. Since 2010, AMI has done the business of insurance under the name Statewide Commercial Insurance Brokers. AMI did not register this dba with the department until July 28, 2014.

5. From 2009 to 2013, AMI did the business of insurance under the name Statewide Auto Insurance Brokers. This name was never registered with TDI, but is no longer in use.
6. Lana Matar is married to Marcel Matar, who from May 5, 1992, to May 31, 2014, held a casualty broker agent license and a property broker agent license issued by the California Department of Insurance. He sold insurance under the name Statewide General Insurance Agency. Although it has a similar dba name, American Matar is a separate entity from SGIA.
7. In July 2014, the Court of Appeals of the State of Washington, Division II, affirmed a judgment awarding Cascade National Insurance Company \$941,878.55 in improperly withheld premiums from Marcel Matar and SGIA.
8. Marcel Matar is not licensed with the Texas Department of Insurance, and is not authorized to do the business of insurance through AMI's license.
9. Marcel Matar is not a director of AMI. Marcel Matar is not authorized to exercise control over AMI directly or indirectly; and is not authorized to hold himself out as an owner or director. AMI will not name Marcel Matar as its officer or director unless and until he is granted a license to do the business of insurance by TDI.
10. In March 2010, AMI filed an application with Texas Mutual Insurance to submit policy applications. AMI proceeded to file multiple policy applications containing inaccurate information. This inaccurate information altered Texas Mutual's internal approval procedures for these applications. Texas Mutual accepted the applications quickly and electronically, whereas if accurate information had been submitted, it would have applied more scrutiny and may not have approved coverage.
11. Texas Mutual canceled its agent contract with AMI in 2012.
12. Since 2012, AMI has continued to acquire coverage from Texas Mutual for its clients under its own name, via licensed former employees, through outside brokers, and from other third parties. AMI agrees not to seek coverage from Texas Mutual for its clients by any means.

Conclusions of Law

1. The commissioner has jurisdiction over this matter pursuant to TEX. INS. CODE chs. 82, 84, 4005, and 4051; and TEX. GOV'T CODE §§ 2001.051-2001.178.
2. The commissioner has the authority to dispose of this case informally pursuant to TEX. GOV'T CODE § 2001.056, TEX. INS. CODE §§ 36.104 and 82.055, and 28 TEX. ADMIN. CODE § 1.47.
3. AMI violated 28 TEX. ADMIN. CODE § 21.901 by directly requiring, soliciting, and accepting power of attorney to act as attorney-in-fact for applicants for insurance coverage in Texas for purposes of placing, procuring, instituting, maintaining, canceling, or nonrenewing any

insurance coverage, or for any other act in connection with the placement or institution of such insurance coverage.

4. AMI violated 28 TEX. ADMIN. CODE § 19.902 by failing to furnish TDI a copy of a valid assumed name certificate reflecting proper registration of each assumed name utilized by the agency.
5. Marcel Matar does not hold any license or authorization issued by TDI and is prohibited from performing the acts of an agent or engaging in the business of insurance in Texas, pursuant to TEX. INS. CODE §§ 101.051, 101.102, 4001.051, 4001.101, and 4051.051.
6. AMI violated TEX. INS. CODE § 4051.357 by writing new business with Texas Mutual Insurance after receiving notice of suspension and termination.

The commissioner orders American Matar International, Inc. to pay an \$8,000 administrative penalty within 30 days from the date of this order. The administrative penalty must be paid by cashier's check or money order made payable to the "State of Texas." Mail the administrative penalty to Texas Department of Insurance, Attn: Enforcement Section, Division 40111, MC 9999, P.O. Box 149104, Austin, Texas 78714-9104.



David C. Mattax
Commissioner of Insurance

For the Staff:



Erin Dinsmore, Staff Attorney

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Commissioner's Order
American Matar International, Inc.
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Affidavit

STATE OF CA

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§
§

COUNTY OF Los Angeles

Before me, the undersigned authority, personally appeared the affiant, who being by me duly sworn, deposed as follows:

"My name is Lana Matar. I am of sound mind, capable of making this statement, and have personal knowledge of these facts which are true and correct.

I hold the office of President, and am the authorized representative of American Matar International, Inc. I am duly authorized by said organization to execute this statement.

American Matar International, Inc. waives rights provided by the Texas Insurance Code and other applicable laws, and acknowledges the jurisdiction of the commissioner.

American Matar International, Inc. is voluntarily entering into this consent order and agrees with and consents to the issuance and service of the same by the commissioner of insurance of the state of Texas."

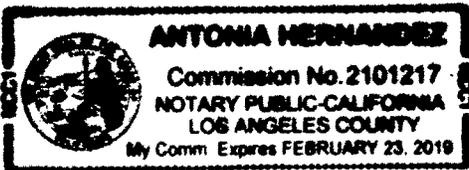
[Signature]

Affiant

SWORN TO AND SUBSCRIBED before me on 9/29/, 2015.

(NOTARY SEAL)

[Signature]
Signature of Notary Public



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CALIFORNIA ALL-PURPOSE CERTIFICATE OF ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California }

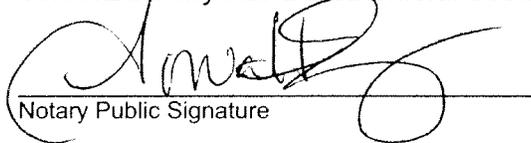
County of Los Angeles }

On 9/29/15 before me, Antonia Hernandez,
(Here insert name and title of the officer)

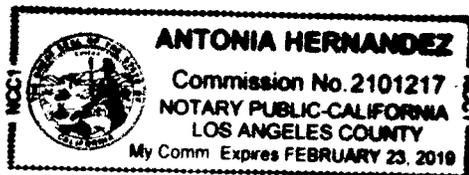
personally appeared Lana Matar,
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) ~~is/are~~ subscribed to the within instrument and acknowledged to me that he/~~she/they~~ executed the same in his/~~her/their~~ authorized capacity(ies), and that by his/~~her/their~~ signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.


Notary Public Signature

(Notary Public Seal)



ADDITIONAL OPTIONAL INFORMATION

DESCRIPTION OF THE ATTACHED DOCUMENT
affidavit
(Title or description of attached document)

(Title or description of attached document continued)

Number of Pages 1 Document Date 9/29/15

CAPACITY CLAIMED BY THE SIGNER

- Individual (s)
 Corporate Officer

(Title)
 Partner(s)
 Attorney-in-Fact
 Trustee(s)
 Other _____

INSTRUCTIONS FOR COMPLETING THIS FORM

This form complies with current California statutes regarding notary wording and, if needed, should be completed and attached to the document. Acknowledgments from other states may be completed for documents being sent to that state so long as the wording does not require the California notary to violate California notary law.

- State and County information must be the State and County where the document signer(s) personally appeared before the notary public for acknowledgment.
- Date of notarization must be the date that the signer(s) personally appeared which must also be the same date the acknowledgment is completed.
- The notary public must print his or her name as it appears within his or her commission followed by a comma and then your title (notary public).
- Print the name(s) of document signer(s) who personally appear at the time of notarization.
- Indicate the correct singular or plural forms by crossing off incorrect forms (i.e. ~~he/she/they~~ is /are) or circling the correct forms. Failure to correctly indicate this information may lead to rejection of document recording.
- The notary seal impression must be clear and photographically reproducible. Impression must not cover text or lines. If seal impression smudges, re-seal if a sufficient area permits, otherwise complete a different acknowledgment form.
- Signature of the notary public must match the signature on file with the office of the county clerk.
 - ❖ Additional information is not required but could help to ensure this acknowledgment is not misused or attached to a different document.
 - ❖ Indicate title or type of attached document, number of pages and date.
 - ❖ Indicate the capacity claimed by the signer. If the claimed capacity is a corporate officer, indicate the title (i.e. CEO, CFO, Secretary).
- Securely attach this document to the signed document with a staple.