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Attorney General

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FILED 

NOV 13 2012

Department of Insurance
State of Idaho

Attorneys for the Department of Insurance

BEFORE THE DIRECTOR OF THE DEPARTMENT OF INSURANCE

STATE OF IDAHO

In the Matter of:

HERBERT V. FRIEDMAN, INC.,
a New York corporation,

Expired Third Party Administrator License No.
305390, Respondent.

Docket No. 18-2811-12

CONSENT ORDER

The parties hereto, namely the Idaho Department of Insurance and HERBERT V. FRIEDMAN, INC., a New York corporation, expired Third Party Administrator License No. 305390, having entered into a STIPULATION FOR CONSENT ORDER, regarding doing business with an expired administrator's license in the state of Idaho, a copy of said Stipulation being attached hereto, and the Director having reviewed the same and based on the foregoing and in consideration of the premises,

IT IS HEREBY ORDERED that the STIPULATION FOR CONSENT ORDER, attached hereto, is approved and adopted as an Order of the Director, and is incorporated herein as if set forth in full and made a part hereof; and,

IT IS FURTHER ORDERED that HERBERT V. FRIEDMAN, INC., shall pay to the Department a penalty in the amount of five thousand dollars (\$5,000.00) within seven (7) business days from the execution of this order.

IT IS SO ORDERED.

DATED this 13th day of November, 2012.

By: , Dep. Director
For William W. Deal, Director
IDAHO DEPARTMENT OF INSURANCE

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that I have, on this 13th day of November, 2012, caused a true and correct copy of the foregoing CONSENT ORDER to be served upon the following by the designated means:

Herbert V. Friedman, Inc.
Attn: Barbara Marino
119 N. Park Avenue, Suite 202
Rockville Centre, New York 11570-4113

- ☒ first class mail
- ☐ certified mail
- ☐ hand delivery
- ☐ via facsimile

Richard B. Burleigh
Deputy Attorney General
Idaho Department of Insurance
700 W. State Street
Boise, Idaho 83720-0043

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Teresa Jones

LAWRENCE G. WASDEN
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STATE OF IDAHO

In the Matter of:

HERBERT V. FRIEDMAN, INC.
a New York corporation,

Expired Third Party Administrator License No.
305390,

Respondent.

Docket No. 18-2811-12

**STIPULATION FOR CONSENT
ORDER**

The parties herein, namely the Idaho Department of Insurance (“**Department**”) and its counsel of record, Richard B. Burleigh, Deputy Attorney General, and HERBERT V. FRIEDMAN, INC., a New York corporation, with expired Third Party Administrator License No. 305390 (“HVF”), do hereby agree and stipulate to the following facts and conclusions of law:

1. That the Director of the Idaho Department of Insurance has jurisdiction over this matter pursuant to title 41, Idaho Code.

2. That HVF was granted Third Party Administrator license no. 305390 effective December 23, 2008, pursuant to the previous version of chapter 9, title 41, Idaho Code (which chapter was replaced by the current version in 2010).

3. That HVF's Third Party Administrator (TPA) license no. 305390 expired as of January 1, 2010 due to HVF failure to timely file for a renewal of said license.

4. That HVF filed a renewal application for license no. 305390 on January 25, 2011.

5. That HVF withdrew the January 25, 2011 renewal application on August 2, 2011 before final action was taken by the Department on that renewal application.

6. That from and after January 1, 2010, HVF continued to operate as an administrator in Idaho, notwithstanding the fact that its license had expired.

7. That operating as a TPA without a license is in violation of Idaho Code §§ 41-910, 41-911 and 41-912.

8. That HVF filed a new home state TPA license application as required by Idaho Code § 41-913 on July 24, 2012, which application is being processed by the Department pursuant to its regular course.

9. That HVF admits the following:

a. That it failed to timely file for renewal of its administrator license as required by Idaho Code § 41-913(1):

i. On or before December 31, 2010 with payment of a normal renewal fee, or

ii. Between January 1, 2010 and January 31, 2010, subject to payment of a double renewal fee.

b. That it failed to file a new application for a home state license or nonresident administrator license as required by Idaho Code § 41-913(1) after having

failed to timely file for a renewed license.

- c. That it continued to operate as an administrator in the state of Idaho since January 1, 2010 notwithstanding the fact that it did not have an active nonresident or home state administrator license in Idaho.

10. That Pursuant to Idaho Code § 41-117 and § 41-915(4), the Department can seek general penalties against HVF of up to five thousand dollars (\$5,000.00) per violation of the Idaho Insurance Code.

11. That in lieu of an administrative enforcement action, the parties agree that this matter can be brought to a close by a negotiated and stipulated settlement and entry of a Consent Order.

12. That HVF agrees to pay a five thousand dollar (\$5,000.00) penalty to the Department within seven (7) business days following the execution of the Consent Order attached hereto.

13. That nothing in this Stipulation or the Consent Order shall affect the Department's review of HVF's pending TPA license application, which review and approval, if appropriate, shall proceed in the Department's normal course.

14. That HVF acknowledges that it has had the opportunity to consult with counsel concerning this Stipulation and proposed Consent Order. That HVF waives its right to notice and hearing at which it may be represented by counsel, present evidence and examine witnesses. HVF waives its right to submit this matter for review by a court of competent jurisdiction.

15. That the parties agree that the terms of this Stipulation is appropriate and proper under the circumstances referenced herein, and that they have entered into this Stipulation knowingly, voluntarily and with full knowledge of any rights they may be waiving thereby.

16. That the parties hereby waive the right to seek reconsideration and judicial review

of the Consent Order to be entered herein.

17. That the parties hereto have reviewed the proposed Consent Order, attached hereto as Exhibit A and incorporated herein by this reference, and agree as to its form and that said Consent Order may be submitted to the Director of the Idaho Department of Insurance for his review, approval and signature.

[Signatures on following pages.]

AGREED THIS 7 day of November, 2012.

HERBERT V. FRIEDMAN, INC.,
a New York corporation

By: [Signature]
Name: Kenneth L. Friedman
Its: President

STATE OF NY)
County of Nassau) ss.

On this 7 day of November, 2012, before me, the undersigned, a Notary Public in and for said State, personally appeared Kenneth L. Friedman the _____ of HERBERT V. FRIEDMAN, INC., a New York corporation, who executed the foregoing instrument on behalf of said company, and acknowledged to me that the said instrument is the free and voluntary act and deed of said company, for the uses and purposes therein mentioned.

WITNESS MY HAND and official seal hereto affixed the day, month and year in this certificate first above written.

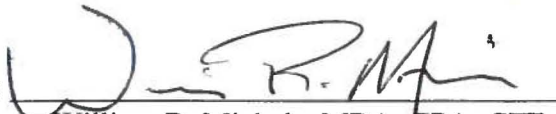
My commission expires: 4/30/15

[Signature]
Notary Public in and for the
State of NY
Residing at Nassau

JOANNE FRIEDMAN
Notary Public, State of New York
No. 01FR4511830
Qualified In Nassau County
Commission Expires April 30, 2015

AGREED THIS 13th day of November, 2012.

IDAHO DEPARTMENT OF INSURANCE

By: 
William R. Michels, MBA, CPA, CFE
Deputy Chief Examiner
IDAHO DEPARTMENT OF INSURANCE

Approved as to Form:

OFFICE OF THE ATTORNEY GENERAL


By: 
Richard B. Burleigh
Deputy Attorney General
Attorney for the Idaho Department of Insurance

EXHIBIT A
CONSENT ORDER

LAWRENCE G. WASDEN
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IT IS SO ORDERED.

DATED this _____ day of _____, 2012.

By: _____
William W. Deal, Director
IDAHO DEPARTMENT OF INSURANCE

CERTIFICATE OF SERVICE

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