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OFFICE OF  
INSURANCE COMMISSIONER  
HEARINGS UNIT

2011 APR 21 P 2:26

Fax: (360) 664-2782

Patricia D. Petersen  
Chief Hearing Officer  
(360) 725-7105

Patricia D. Petersen  
Chief Hearing Officer  
Paralegal  
(360) 725-7002  
hearings@oic.wa.gov

BEFORE THE STATE OF WASHINGTON  
OFFICE OF INSURANCE COMMISSIONER

In the Matter of )

Docket No. 11-0047

Jay M. Levy, )  
Licensee. )

NOTICE OF HEARING

TO: Jay M. Levy  
3370 NE 190<sup>th</sup> St., #3211  
Miami, FL 33180

Michael Camilleri, Esq.  
Matrix Insurance Consulting, LLC  
P.O. Box 880625  
Boca Raton, FL 33488

**COPY TO:** Mike Kreidler, Insurance Commissioner  
Michael G. Watson, Chief Deputy Insurance Commissioner  
John F. Hamje, Deputy Commissioner, Consumer Protection Division  
Robin Aronson, Staff Attorney, Legal Affairs Division  
Carol Sureau, Deputy Commissioner, Legal Affairs Division  
Office of the Insurance Commissioner  
PO Box 40255  
Olympia, WA 98504-0255

On March 10, 2011, the Insurance Commissioner (OIC) issued an Order Revoking License No. 11-0047, revoking the Washington nonresident producer's license of Jay Levy (Levy). Levy applied for this license on March 1, 2011 and the license was issued on March 3, 2011. The OIC's Order was based upon the OIC's assertions, briefly, that Levy had answered "no" to questions in his application for this license concerning whether he had ever been named or involved as a party in an administrative proceeding regarding any professional or occupational license, and whether he was currently a party to, or had ever been found liable in, any lawsuit, arbitration or mediation proceeding involving allegations of fraud, misappropriation or conversion of funds, misrepresentation or breach of fiduciary duty. The OIC asserts that Levy's answers to these questions were false, because in the U.S. Southern District of Florida Case No. 05-80002-CIV-Hurley (Commodity Futures Trading Commission v. United Investors Group, Inc., et al), that court's Final Judgment imposed a civil penalty of \$600,000 against defendant

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Levy for fraudulent commodity trading activity and ordered Levy to make restitution in the amount of \$146,350.88 to five commodity customers whom Levy had fraudulently induced to make investments and Levy was permanently enjoined from engaging in commodity related activities. The OIC also asserts that Levy has also been the subject of prior disciplinary actions, including two National Futures Association complaints that resulted in the assessment of a \$20,000 fine against him and with three months enhanced supervisory procedures. The OIC also asserts that there was another disciplinary action against Levy in California. For these various activities Levy has demonstrated incompetence, untrustworthiness, or financial irresponsibility under RCW 48.17.530 justifying revocation of his license.

By letter dated March 16, 2011, Levy, by and through his attorney Michael Camilleri, Esq. of Matrix Insurance Consulting, LLC, demanded a hearing to contest the OIC's Order. The bases of Levy's appeal is that his answer "no" in his application regarding prior administrative action was inadvertent and he immediately corrected it with a follow-up email (and in support of the fact that this was inadvertent, he points out that he had already submitted documents covering the administrative action with his original application); that the administrative action in question was taken against all major employees of the firm based upon policy of the officers of the firm (Levy was not an officer); that he did not abscond with client funds or in any way commit actions which suggest he is untrustworthy; that his past character and reputation has been unblemished but for this disclosed proceeding; and that no other state has denied him his license, including his domestic state, and all have reviewed the material provided to the OIC.

On April 20, 2011, the undersigned held a first prehearing conference in this matter, which included all parties. The OIC was represented by Robin Aronson, Esq., Staff Attorney in her Legal Affairs Division. Mr. Levy was represented by Michael Camilleri, Esq., of Matrix Insurance Consulting, LLC in Boca Raton, Florida. The undersigned reviewed procedure to be expected at hearing and answered all questions and concerns of the parties. Finally, the parties agreed that this hearing should be held on June 6. The undersigned explained that in Washington, attorneys who are licensed in any state of the United States may represent clients in Washington adjudicative proceedings; Mr. Camilleri advised that he was licensed to practice as an attorney in New York and other state(s).

Accordingly, **YOU ARE HEREBY NOTIFIED that a hearing will be held commencing on June 5, 2011, at 10:00 a.m. Pacific Standard Time.** The purpose of this hearing, which will include all parties, is to consider Levy's challenge to the OIC's decision to revoke his Washington nonresident insurance producer's license.

The OIC will appear by and through Robin Aronson, Staff Attorney in her Legal Affairs Division. Ms. Aronson's address is Office of the Insurance Commissioner, Legal Affairs Division, P.O. Box 40255, Olympia, WA 98504-0255 and her telephone number is (360) 725-7181. Mr. Levy will appear and will be represented by Michael Camilleri, Esq. Mr. Camilleri's address is Matrix Insurance Consulting, LLC, P.O. Box 880625, Boca Raton, FL 33488 and his telephone number is (561) 910-1056.

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Patricia D. Petersen, Esq., Presiding Officer, who serves as Chief Hearing Officer for the Office of the Insurance Commissioner, has been designated to hear and determine this matter. Her address is Office of Insurance Commissioner, P.O. Box 40255, Olympia, Washington 98504-0255. Her telephone number is (360) 725-7105. All interested individuals and entities who have questions or concerns concerning this proceeding should direct them to her assistant, Victoria Estrada, at the same address. Ms. Estrada's telephone number is (360) 725-7263.

The hearing will be held under the authority granted by the Commissioner under Chapter 48.04 RCW. The basic facts relied upon are those set forth above, which are more specifically included in the OIC's above referenced Order Revoking License and in Mr. Levy's abovereferenced Demand for Hearing.

The hearing will be governed by the Administrative Procedure Act, Chapter 34.05 RCW, and the model rules of procedure contained in Chapter 10-08 WAC. All parties may be represented at the hearing. They may examine witnesses and fully respond and present evidence and argument on all issues involved.

As required by RCW 34.05.434(2)(i), you are advised that a party who fails to attend or participate in any stage of the proceeding may be held in default in accordance with Chapter 34.05 RCW.

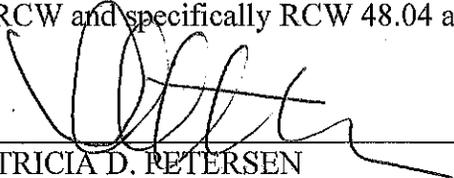
Pursuant to WAC 10-08-040(2) and in accordance with ch. 2.42 RCW, if a limited English speaking or hearing impaired or speech impaired party or witness needs an interpreter, a qualified interpreter will be appointed. There will be no cost to the party or witness therefore, except as may be provided by ch. 2.42 RCW. A Request for Interpreter form is attached to the original of this Notice, with instructions thereon.

This Notice is provided pursuant to RCW 48.04.010 and RCW 34.05.434.

Based upon the above activity,

**IT IS HEREBY ORDERED** that the adjudicative proceeding in this matter shall commence on June 5, 2011, at 10:00 a.m. Pacific Standard Time in the Office of the Insurance Commissioner, 5000 Capitol Blvd., Tumwater, WA.

ENTERED AT TUMWATER, WASHINGTON, this 21<sup>st</sup> day of April, 2011, pursuant to Title 48 RCW and specifically RCW 48.04 and Title 34 RCW and regulations applicable thereto.

  
\_\_\_\_\_  
PATRICIA D. PETERSEN  
Presiding Officer

Attachment

NOTICE OF HEARING

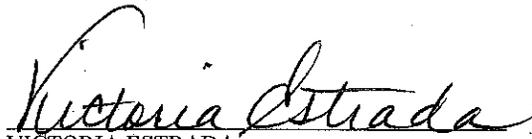
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Declaration of Mailing

I declare under penalty of perjury under the laws of the State of Washington that on the date listed below, I mailed or caused delivery through normal office mailing custom, a true copy of this document to the following people at their addresses listed above: Jay M. Levy, Michael Camilleri, Esq., Mike Kreidler, Michael G. Watson, John F. Hamje, Esq., Robin Aronson, Esq., and Carol Sureau, Esq.,

DATED this 21<sup>st</sup> day of April, 2011.

  
VICTORIA ESTRADA

**HEARINGS UNIT**  
Fax: (360) 664-2782

Patricia D. Petersen  
Chief Hearing Officer  
(360) 725-7105

Hearings Unit  
Paralegal  
(360) 725-7002  
[Hearings@oic.wa.gov](mailto:Hearings@oic.wa.gov)

To request an interpreter, complete and mail this form to:

Chief Hearing Officer  
Office of Insurance Commissioner  
P.O. Box 40255  
Olympia, WA 98504-0255

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**REQUEST FOR INTERPRETER**

I am a party or witness in Matter No. 10-0236, before the Insurance Commissioner. I NEED AN INTERPRETER and request that one be furnished.

Please check the statements that apply to you:

I am a non-English-speaking person. I cannot readily speak or understand the English language. My primary language is \_\_\_\_\_ (insert your primary language). I need an interpreter who can translate to and from the primary language and English.

I am unable to readily understand or communicate the spoken English language because:

- I am deaf.
- I have an impairment of hearing.
- I have an impairment of speech.

[Please state below or on the reverse side any details which would assist the Commissioner or Presiding Officer in arranging for a suitable interpreter or in providing appropriate mechanical or electronic amplification, viewing, or communication equipment.]

Date: \_\_\_\_\_

Signed: \_\_\_\_\_

Please print or type your name: \_\_\_\_\_

Address: \_\_\_\_\_

Telephone: \_\_\_\_\_