



OFFICE OF  
INSURANCE COMMISSIONER

HEARINGS UNIT  
Fax: (360) 664-2782

FILED

APR 18 2011

Hearings Unit, OIC  
Patricia D. Petersen  
Chief Hearing Officer

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

Paralegal  
(360) 725-7002  
hearings@oic.wa.gov

BEFORE THE STATE OF WASHINGTON  
OFFICE OF INSURANCE COMMISSIONER

In the Matter of	)	<b>Docket No. D11-0021</b>
<b>Matthew J. King Jr.,</b>	)	<b>NOTICE OF HEARING</b>
<b>Applicant.</b>	)	

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**TO:** Matthew J. King Jr.  
24 Van Etten Blvd.  
New Rochelle, NY 10804

**COPY TO:** Mike Kreidler, Insurance Commissioner  
Michael G. Watson, Chief Deputy Insurance Commissioner  
John F. Hamje, Deputy Commissioner, Consumer Protection Division  
Andrea L. Philhower, 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 February 7, 2011, the Insurance Commissioner (OIC), by letter, advised Matthew J. King Jr. that it had denied Mr. King's application for a Washington non-resident insurance producer's license based upon RCW 48.17.530(1)(h). During prehearing conference held March 10, 2011, the OIC advised Mr. King and the undersigned that the specific basis for said denial was that on December 22, 2008, the Financial Industry Regulatory Authority (FINRA) suspended Mr. King from associating with any FINRA member in any capacity for one year (January 20, 2009 through January 19, 2010) and on January 6, 2009 FINRA imposed monetary sanctions against him in the amount of \$10,000. The basis for FINRA's disciplinary action was that Mr. King first became registered with FINRA in April 1988 as a General Securities Representative and from August 2004 through August 2005 Mr. King falsified information on 24 applications for variable annuity policies by representing that the customers had signed the applications in the proposed state of issue when they had not, and that with respect to 20 of those customers Mr. King falsified the variable annuity policy applications by representing that the customers had accounts



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with SWB for at least 6 months when they did not. King then submitted the applications to SWB, who submitted them to the issuer of the policies. While Mr. King did not admit these charges, and these allegations were not adjudicated, Mr. King accepted the penalties imposed by FINRA in settlement of the FINRA complaint against him. The OIC further asserts that Mr. King was the subject of an administrative action in California on October 8, 2010 apparently based upon the FINRA action.

By letter dated January 7, 2011 but received by the OIC on February 7, 2011, Mr. King requested a hearing to contest the OIC's denial of his application for a Washington non-resident insurance producer's license. The bases for King's request for hearing are that he accepts full responsibility for the administrative error that caused him to receive a one year suspension in 2009; that he only dealt with New York clients and New York applications; that the applications were reviewed and signed by three supervisors at SW Bach and also approved by the insurance carriers; that this procedure continued for 2.5 years with no claims or complaints; that the SEC conducted an audit and he passed with no problems; that SW Bach was experiencing problems unrelated to him and he decided to leave the firm; that SW Bach filed for bankruptcy and so FINRA chose to focus on him; that he has been in the securities business for 30 years and has a family to support and so he just accepted FINRA's suspension of his license and \$10,000 fine; that he did not falsify any applications and had approval for every application he wrote; that FINRA would not change the word "falsify" in the settlement documents; that he was wrongly advised; that he is now employed at National Securities Corporation which has an extremely experienced and knowledgeable insurance office and compliance structure and has him on a heightened supervision plan; that the states of Washington, New York, New Jersey, California and Maryland have recently approved him to transact securities business apparently conditioned on the supervision plan being entered on his FINRA license; that New Jersey, Connecticut, Maryland, Ohio and California have all issued him a non-resident life insurance producer's license; that Met Life has recently reappointed him; and that he has many prospective clients in Washington and it would be an important part of his reestablishing himself in the investment business for him to be licensed in Washington as a non-resident insurance producer.

Accordingly, **YOU ARE HEREBY NOTIFIED that a hearing will be held commencing on April 25, 2011, at 10:00 a.m. Pacific Standard Time.** At the request of King, with the agreement of the OIC and by authority given to the undersigned pursuant to RCW 34.05.449(3), the hearing will be held by telephone. The purpose of this hearing, which will include all parties, is to consider King's challenge to the OIC's decision to deny his application for a Washington non-resident insurance producer's license.

The OIC will appear by and through Andrea J. Philhower, Staff Attorney in his Legal Affairs Division. Ms. Philhower'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) 725-7063. Mr. King will appear pro se unless he chooses to be represented by an attorney licensed in any state in the United State. Mr. King's address is 24 Van Etten Blvd. New Rochelle, NY 10804 and his telephone number is (212) 417-8244.

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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 by Chapter 48.04 RCW. The basic facts relied upon are those set forth above, which are more specifically included in the OIC's abovereferenced February 7, 2011 letter and in Mr. King's abovereferenced request for hearing dated January 7, 2011 but received by the OIC on February 7, 2011.

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 April 25, 2011, at 10:00 a.m. Pacific Standard Time, by telephone. All parties will be contacted by Shellie Savage, assistant to the undersigned, at that time.

ENTERED AT TUMWATER, WASHINGTON, this 18<sup>th</sup> day of April, 2011, pursuant to Title 48 RCW and specifically RCW 48.04 and Title 34 RCW and regulations applicable thereto.

  
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PATRICIA D. PETERSEN  
Presiding Officer

**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: \_\_\_\_\_