



# LOUISIANA DEPARTMENT OF INSURANCE

JAMES J. DONELON  
COMMISSIONER

**CEASE AND DESIST ORDER,**  
**SUMMARY SUSPENSION**  
**AND**  
**NOTICE OF REVOCATION**  
**PRODUCER LICENSE #689415**

September 8, 2020

TO: Matthew Sias  
201 High Meadows Blvd. Apt. 124  
Lafayette, LA 70507

Sent by certified mail:  
Article# 7019 2280 0001 1504 3522

TO: Matthew Sias  
101 Patterson St.  
Lafayette, LA 70501

Article# 7019 2280 0001 1504 3539

TO: Matthew Sias  
P.O. Box 91455  
Lafayette, LA 70509

Article# 7019 2280 0001 1504 3546

Via Email: [Siasmatt@gmail.com](mailto:Siasmatt@gmail.com)

WHEREAS, IT HAS COME TO MY ATTENTION, as Commissioner of Insurance (Commissioner) of the Louisiana Department of Insurance (LDI), that Matthew Sias, a person licensed to do business in Louisiana, has violated certain provisions of the Louisiana Insurance Code, Title 22, La. R.S. 22:1 et seq. As used hereinafter, "you" and "your" refer to Matthew Sias.

Accordingly, pursuant to the authority vested in me as Commissioner, I issue this Cease and Desist Order, Summary Suspension, Fine and Notice of Revocation Order.

## **LAW**

La. R.S. 22:2 provides in pertinent part:

### **§ 2. Insurance regulated in the public interest**

- A. (1) Insurance is an industry affected with the public interest and it is the purpose of this Code to regulate that industry in all its phases. ...It shall be the duty of the commissioner of insurance to administer the provisions of this Code.

Pursuant to La. R.S. 22:18, the Commissioner is authorized to order any insurer, person, or entity to cease and desist any such action that violates any provision of the Louisiana Insurance Code as listed in Title 22 of the Louisiana Revised Statutes. Pursuant to La. R.S. 22:1554(A) the Commissioner may suspend or revoke an insurance producer license for certain violations of Title 22.

La. R.S. 22:1554 provides in pertinent part:

**§ 1554. License denial, nonrenewal, or revocation**

- A. The commissioner of insurance may place on probation, suspend, revoke, or refuse to issue, renew, or reinstate an insurance producer license, or may levy a fine not to exceed five hundred dollars for each violation . . .for any one or more of the following causes:

(3) The failure to account for or remit any premiums, monies, or properties belonging to another which come into the possession of the applicant in the course of doing insurance business, or improperly withholding, misappropriating, converting, or failing to timely remit any premiums, monies, or properties received in the course of doing insurance business, whether such premiums, monies, or properties belonging to policyholders, insurers, beneficiaries, claimants, or others.

(4) Using fraudulent, coercive, or dishonest practices or misrepresentation, or demonstrating incompetence, untrustworthiness, or financial irresponsibility in the conduct of business such as might endanger the public.

(6) Having admitted or been found to have committed any insurance unfair trade practice under R.S. 22:1961 et seq. or fraud under R.S. 22:1964 et seq.

La. R.S. 22:1923 provides in pertinent part:

**§ 1923. Definitions**

- (2) "Fraudulent insurance act" shall include but not be limited to acts or omissions committed by any person who, knowingly and with intent to defraud:

(a) Presents, causes to be presented, or prepares with knowledge or belief that it will be presented to or by an insurer, reinsurer, purported insurer or reinsurer,



producer, or any agent thereof, any oral or written statement which he knows to contain materially false information as part of, or in support of, or denial of, or concerning any fact material to or conceals any information concerning any fact material to the following:

(iv) Premiums paid on any insurance policy.

(h) Manufactures, sells, distributes, presents, or causes to be presented a fraudulent proof of insurance card or document.

La. R.S. 22:1964 provides in pertinent part:

**§ 1964. Methods, acts and practices which are defined as unfair or deceptive**

The following are declared to be unfair methods of competition and unfair or deceptive acts or practices in the business of insurance:

(12) Any violation of any prohibitory law of this state.

(13) Fraudulent Insurance act. A fraudulent insurance act is one committed by a person who knowingly and with intent to defraud presents, causes to be presented, or prepares with knowledge or believes that it will be presented to or by an insurer, purported insurer, producer, or any agent thereof, any written statement as part of, or in support of, or in opposition to an application for the issuance of, or the rating of an insurance policy for commercial insurance, or a claim for payment or other benefit pursuant to an insurance policy for commercial or personal insurance which he knows to contain materially false information concerning any fact material thereto; or conceal for the purpose of misleading information concerning any fact material thereto.

The Louisiana Insurance Code, Title 22, La. R.S. 22:1 et seq., authorizes the Commissioner to investigate the affairs and professional conduct of every person engaged in the business of insurance to determine whether such person has been or is engaged in any unfair or deceptive act or practice prohibited by the Louisiana Insurance Code. It is determined that Matthew Sias has committed the violations of the Louisiana Insurance Code as listed above.

**FACTS**

Based on information on file with the department you have demonstrated conduct that violates provisions of Title 22.

You are a licensed producer in the State of Louisiana (License No. 689415).

On January 9, 2020 the LDI took action against your license. You were suspended for three months and your agency, MSJ INS LLC, was fined for failure to timely remit premium payments.

Following the January 9, 2020 regulatory actions, the LDI has received two complaints involving the failure to remit premium by Matthew Sias and MSJ.

#### Complaint 1

In July 2020, the LDI received a consumer complaint from Lynell Melancon. The premium payment for her Lighthouse Property Insurance Corporation homeowner's policy was to be included in the closing costs. The title company, Royal Title & Escrow LLC, issued Check #001479 to your agency, MSJ Insurance LLC (MSJ), in the amount of \$1,086 to cover Ms. Melancon's homeowner's policy premium. The premium was not applied to Ms. Melancon homeowners policy. Ms. Melancon attempted to renew her homeowner's policy and learned she did not have coverage on her home. Ms. Melancon confirmed with the title company and her mortgage lender that MSJ had been given a check in order to pay her homeowner's premium as part of the closing. Ms. Melancon contacted you about the matter. In your own written response to the LDI, you admitted there was a lapse in coverage because the premium check was not submitted. You refunded Ms. Melancon her premium in the amount of \$1,086. Additionally, your failure to remit premium and secure her homeowner's policy resulted in a rate increase for Ms. Melancon. On July 8, 2020, MSJ issued check #141 to Amerihome Mortgage Company LLC for \$3,617.08 to cover the increased insurance rates. "Lynell Melancon" was written in the memo section of the check.

#### Complaint 2

In September 2020, the LDI Division of Insurance Fraud received a complaint against you and MSJ regarding premiums not being remitted to the insurer. The Groom Room in New Iberia has a mortgage loan with Community First Bank (CFB) who requires proof of insurance annually. On September 19, 2019 you emailed a document titled "WrightFloodApplication" to the loan officer at Community First Bank. The document had your e-signature and was dated September 17, 2019. It was not signed by the insured and the application showed a balance due for the flood premium. On September 19, 2019, CFB requested either proof of premium payment or the declaration page as proof of insurance. On October 10, 2019, CFB sent a second request for the declaration page or a paid receipt for The Groom Room's flood policy. That same day, you emailed a document titled "Policy Payment Transmittal" to representatives of CFB and the insured. This document showed MSJ paid Wright National Flood Insurance Company (Wright) \$1,184 via check for The Groom Room's flood policy. That same day you also emailed representatives of CFB and the insured a copy of the purported Wright declaration page for The Groom Room's flood policy. Upon receiving the declaration page, CFB noticed the policy period was listed from September 17, 2019 to September 17, 2019, which meant the policy was only in effect for one day. Thinking it was printed in error, you were asked to review the policy dates



and submit a corrected declaration page. Later that afternoon, the insured emailed a document titled "untitled00" to CFB. The second purported declaration page reflected a policy period from September 17, 2019 to September 17, 2020. You never paid the premium for The Groom Room's flood policy and coverage was never secured. The insured stated you refunded them for their flood insurance policy that was not secured.

### **VIOLATIONS**

The Commissioner, based on the facts presented above, has determined you have violated Title 22 of the Louisiana Insurance Code in a such a manner as to be a danger to the public, specifically, those acts are violations of the following as defined in La. R.S. 22:1554(A)(3),(4) and (6), La. R.S. 22:1923(2)(a)(iv) and (h), and La. R.S. 22:1964(12) and (13).

### **COMMISSIONER'S ACTION**

#### **CEASE AND DESIST ORDER**

In accordance with La. R.S. 49:961(C) and La. R.S. 22:1969, you are ordered to **CEASE AND DESIST** immediately from acting as or holding yourself out to be an insurance producer in the state of Louisiana.

#### **SUMMARY SUSPENSION OF PRODUCER LICENSE**

It is the finding of the Commissioner that you have committed these violations of the Louisiana Insurance Code as detailed above. It is also the finding of the Commissioner that, pursuant to La. R.S. 49:961(C), the public health, safety or welfare imperatively requires emergency action due to the aforementioned violations. Therefore, pursuant to the authority of the Commissioner found in La. R.S. 22:1554(A), and La. R.S. 22:1969 your producer license, number **689415**, is **SUSPENDED**, effective immediately.

#### **REVOCATION**

As a result of the investigation and documentation in possession of the LDI, determination has been rendered that you are in violation of the statutes listed above, and the Louisiana Commissioner of Insurance hereby serves you notice that Louisiana Insurance Producer license number **689415**, issued to **Matthew Sias**, is hereby **REVOKED** effective thirty (30) days from issuance of this Notice.

**FINE**

In addition, this Notice hereby imposes a **FINE** upon the Louisiana Insurance Producer License of **Matthew Sias** in the amount of **fifteen hundred dollars (\$1,500.00)** payable immediately upon receipt of this Notice. Please return your payment and a copy of this notice to:

Louisiana Department of Insurance  
Attn: Accounts Receivable  
P.O. Box 94214  
Baton Rouge, LA 70804-9214

**NOTICE OF APPEAL RIGHTS**

The above action may be considered a regulatory action, and you are responsible for reporting and disclosing this action to other states, agencies, and/or parties. In addition, you are responsible for disclosing such action on or in connection with any license application or renewal.

You have the right to appeal this Cease and Desist Order, Notice of Summary Suspension and Revocation Notice to be granted an administrative hearing before the Division of Administrative Law. Be advised that this constitutes an administrative action and that it will be reported to the National Insurance Producer Registry. You may need to report this administrative action to other states in which you hold an active license. Contact that state's insurance department if you are unsure of their requirements.

Pursuant to La. R.S. 22:2191(A)(2) any person aggrieved by an act of the Commissioner may request a hearing within thirty days of receipt of notice of such act. You must make a written demand for an appeal within thirty (30) days from the date of this notice. Failure to file a written demand for an appeal within thirty (30) days from the date of this notice will preclude your right to an administrative hearing. Pursuant to La. R.S. 22:2191(B), your written demand for an appeal (1) shall reference the particular sections of the statutes and rules involved; (2) shall provide a short and plain statement of the matters asserted for review; and (3) shall attach a copy of the order or decision that you are appealing. Your written demand for an appeal shall be filed with the Louisiana Department of Insurance at the address below:

Louisiana Department of Insurance  
Attn: Liz Butler, Executive Counsel  
P. O. Box 94214  
Baton Rouge, LA 70804-9214

Telephone: (225) 342-4673

Fax: (225) 342-1632

File in Person at:  
1702 N. Third Street  
Baton Rouge, LA 70802

Signed in Baton Rouge, Louisiana this September 8, 2020,

JAMES J. DONELON  
COMMISSIONER OF INSURANCE  
LOUISIANA DEPARTMENT OF INSURANCE

BY:



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Matthew Stewart  
Deputy Commissioner  
Divisions of Fraud & Enforcement  
Louisiana Department of Insurance  
Telephone: (225) 219-5819

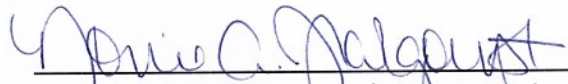
**CERTIFICATE OF SERVICE**

Article # 7019 2280 0001 1504 3522

Article # 7019 2280 0001 1504 3539

Article # 7019 2280 0001 1504 3546

I hereby certify that I have served this Cease and Desist Order, Summary Suspension and Notice of Revocation upon Matthew Sias via the U. S. Postal Service return receipt requested, this 8<sup>th</sup> day of September 2020.

A handwritten signature in blue ink, appearing to read "Norrie A. Falgoust", is written over a horizontal line.

Norrie A. Falgoust, Compliance Investigator





LOUISIANA DEPARTMENT OF INSURANCE

JAMES J. DONELON  
COMMISSIONER

**CEASE AND DESIST ORDER,**  
**SUMMARY SUSPENSION**  
**AND**  
**NOTICE OF REVOCATION**  
**PRODUCER LICENSE NUMBER 737602**

September 8, 2020

TO: MSJ INS LLC  
101 Patterson  
Lafayette, LA 70501  
ATTN: Matthew Sias

Sent by certified mail:  
Article# 7019 2280 0001 1504 3553

Via Email: [Agency@MSJ-linsurance.com](mailto:Agency@MSJ-linsurance.com)

WHEREAS, IT HAS COME TO MY ATTENTION, as Commissioner of Insurance (Commissioner) of the Louisiana Department of Insurance (LDI), that MSJ INS LLC (MSJ), a producer agency licensed to do business in Louisiana, has violated certain provisions of the Louisiana Insurance Code, Title 22, La. R.S. 22:1 et seq. As used hereinafter, "you" and "your" refer to MSJ.

Accordingly, pursuant to the authority vested in me as Commissioner, I issue this Cease and Desist Order, Summary Suspension, and Notice of Revocation Order.

**LAW**

La. R. S. 22:2 provides in pertinent part:

**§ 2. Insurance regulated in the public interest**

- A. (1) Insurance is an industry affected with the public interest and it is the purpose of this Code to regulate that industry in all its phases. ...It shall be the duty of the commissioner of insurance to administer the provisions of this Code.

Pursuant to La. R.S. 22:18, the Commissioner is authorized to order any insurer, person, or entity to cease and desist any such action that violates any provision of the Louisiana Insurance Code as listed in Title 22 of the Louisiana Revised Statutes. Pursuant to La. R.S. 22:1554(A)&(D) the Commissioner may suspend or revoke an insurance producer license for certain violations of Title 22.

La. R.S.22:1554 provides in pertinent part:

**§ 1554. License denial, nonrenewal, or revocation**

- A. The commissioner of insurance may place on probation, suspend, revoke, or refuse to issue, renew, or reinstate an insurance producer license, or may levy a fine not to exceed five hundred dollars for each violation . . .for any one or more of the following causes:

(3) The failure to account for or remit any premiums, monies, or properties belonging to another which come into the possession of the applicant in the course of doing insurance business, or improperly withholding, misappropriating, converting, or failing to timely remit any premiums, monies, or properties received in the course of doing insurance business, whether such premiums, monies, or properties belonging to policyholders, insurers, beneficiaries, claimants, or others.

(4) Using fraudulent, coercive, or dishonest practices or misrepresentation, or demonstrating incompetence, untrustworthiness, or financial irresponsibility in the conduct of business such as might endanger the public.

- D. The license of a business entity may be suspended or revoked, or renewal or suspension, revocation, or refusal to renew a license, if the commissioner finds, in accordance and compliance with La. R.S. 49:961, that an individual licensee's violation was known or should have been known by one or more of the partners, officers, or managers acting on behalf of the business entity and the violation was not reported to the Department of Insurance and no corrective action was undertaken timely. Any such suspension or revocation of a license, or refusal to renew or reinstate a license, shall include all lines of insurance for which the licensee was authorized.

The Louisiana Insurance Code, Title 22, La. R.S. 22:1 et seq., authorizes the Commissioner to investigate the affairs and professional conduct of every person engaged in the business of insurance to determine whether such person has been or is engaged in any unfair or deceptive act or practice prohibited by the Louisiana Insurance Code. It is determined that MSJ has committed the violations of the Louisiana Insurance Code as listed above.

**FACTS**

Based on information on file with the department MSJ has demonstrated conduct that violates provisions of Title 22.

MSJ is a licensed producer agency in the State of Louisiana (License No. 737602).



On January 9, 2020 the LDI took action against MSJ. MSJ's owner and designated responsible agent, Matthew Sias, was suspended for three months and MSJ was fined for failure to timely remit premium payments.

Following the January 9, 2020 regulatory actions, the LDI has received two complaints involving the failure to remit premium by Matthew Sias and MSJ.

#### Complaint 1

In July 2020, the LDI received a consumer complaint from Lynell Melancon. The premium payment for her Lighthouse Property Insurance Corporation homeowner's policy was to be included in the closing costs. The title company, Royal Title & Escrow LLC, issued Check #001479 to MSJ in the amount of \$1,086 to cover Ms. Melancon's homeowner's policy premium. The premium was not applied to Ms. Melancon's homeowners policy. Ms. Melancon attempted to renew her homeowner's policy and learned she did not have coverage. Ms. Melancon confirmed with the title company and her mortgage lender that MSJ had been given a check in order to pay her homeowner's premium as part of the closing. Ms. Melancon contacted Matthew Sias about the matter, who in a written response to the LDI, admitted there was a lapse in coverage because the premium check was not submitted. Ms. Melancon was refunded her premium in the amount of \$1,086. Additionally, the failure to remit premium and secure the homeowner's policy resulted in a rate increase for Ms. Melancon. On July 8, 2020, MSJ issued check #141 to Amerihome Mortgage Company LLC for \$3,617.08 to cover the increased insurance rates. "Lynell Melancon" was written in the memo section of the check.

#### Complaint 2

In September 2020, the LDI Division of Insurance Fraud received a complaint against MSJ and Matthew Sias regarding premiums not being remitted to the insurer. The Groom Room in New Iberia has a mortgage loan with Community First Bank (CFB) who requires proof of insurance annually. On September 19, 2019 you emailed a document titled "WrightFloodApplication" to the loan officer at CFB. The document had your e-signature and was dated September 17, 2019. It was not signed by the insured and the application showed a balance due for the flood premium. On September 19, 2019, CFB requested either proof of premium payment or the declaration page as proof of insurance. On October 10, 2019, CFB sent a second request for the declaration page or a paid receipt for The Groom Room's flood policy. That same day, Matthew Sias emailed a document titled "Policy Payment Transmittal" to representatives of CFB and the insured. This document showed MSJ paid Wright National Flood Insurance Company (Wright) \$1,184 via check for The Groom Room's flood policy. That same day Matthew Sias also emailed representatives of CFB and the insured a copy of the purported Wright declaration page for The Groom Room's flood policy. Upon receiving the declaration page, CFB noticed the policy period was listed from September 17, 2019 to September 17, 2019, which meant the policy was only in effect for one



day. Matthew Sias was asked to review the policy dates and submit a corrected declaration page. Later that afternoon, the insured emailed a document titled "untitled00" to CFB. The second purported declaration page reflected a policy period from September 17, 2019 to September 17, 2020. The premium was never paid for The Groom Room's flood policy and coverage was never secured. The insured stated they received a refund from MSJ for their flood insurance policy that was not secured.

### **VIOLATIONS**

The Commissioner, based on the facts presented above, has determined you have violated Title 22 of the Louisiana Insurance Code in a such a manner as to be a danger to the public, specifically, those acts are violations of the following as defined in La. R.S. 22:1554(A)(3),(4) and (6), La. R.S. 22:1554(D).

### **COMMISSIONER'S ACTION**

#### **CEASE AND DESIST ORDER**

In accordance with La. R.S. 49:961(C) and La. R.S. 22:18, you are ordered to **CEASE AND DESIST** immediately from acting as or holding yourself out to be an insurance producer agency in the state of Louisiana.

#### **SUMMARY SUSPENSION OF PRODUCER AGENCY LICENSE**

It is the finding of the Commissioner that you have committed these violations of the Louisiana Insurance Code as detailed above. It is also the finding of the Commissioner that, pursuant to La. R.S. 49:961(C), the public health, safety or welfare imperatively requires emergency action due to the aforementioned violations. Therefore, pursuant to the authority of the Commissioner found in La. R.S. 22:1554(A) & (D) your producer agency license, number **737602**, is **SUSPENDED**, effective immediately.

#### **REVOCATION**

As a result of the investigation and documentation in possession of the LDI, determination has been rendered that you are in violation of the statutes listed above, and the Louisiana Commissioner of Insurance hereby serves you notice that Louisiana Insurance Producer license number **737602**, issued to **MSJ INS LLC**, is hereby **REVOKED** effective thirty (30) days from issuance of this Notice.

### **NOTICE OF APPEAL RIGHTS**

The above action may be considered a regulatory action, and you are responsible for reporting and disclosing this action to other states, agencies, and/or parties. In addition, you are responsible for disclosing such action on or in connection with any license application or renewal.

You have the right to appeal this Cease and Desist Order, Notice of Summary Suspension and Revocation Notice to be granted an administrative hearing before the Division of Administrative Law. Be advised that this constitutes an administrative action and that it will be reported to the National Insurance Producer Registry. You may need to report this administrative action to other states in which you hold an active license. Contact that state's insurance department if you are unsure of their requirements.

Pursuant to La. R.S. 22:2191(A)(2) any person aggrieved by an act of the Commissioner may request a hearing within thirty days of receipt of notice of such act. You must make a written demand for an appeal within thirty (30) days from the date of this notice. Failure to file a written demand for an appeal within thirty (30) days from the date of this notice will preclude your right to an administrative hearing. Pursuant to La. R.S. 22:2191(B), your written demand for an appeal (1) shall reference the particular sections of the statutes and rules involved; (2) shall provide a short and plain statement of the matters asserted for review; and (3) shall attach a copy of the order or decision that you are appealing. Your written demand for an appeal shall be filed with the Louisiana Department of Insurance at the address below:

Louisiana Department of Insurance  
Attn: Liz Butler, Executive Counsel  
P. O. Box 94214  
Baton Rouge, LA 70804-9214

Telephone: (225) 342-4673  
Fax: (225) 342-1632

File in Person at:  
1702 N. Third Street  
Baton Rouge, LA 70802

Signed in Baton Rouge, Louisiana this September 8, 2020,

JAMES J.DONELON  
COMMISSIONER OF INSURANCE  
LOUISIANA DEPARTMENT OF INSURANCE

BY:



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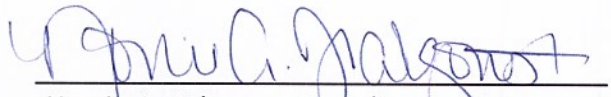
Matthew Stewart  
Deputy Commissioner  
Divisions of Fraud & Enforcement  
Louisiana Department of Insurance  
Telephone: (225) 219-5819



**CERTIFICATE OF SERVICE**

Article# 7019 2280 0001 1504 3553

I hereby certify that I have served this Cease and Desist Order, Summary Suspension and Notice of Revocation upon MSJ INS LLC via the U. S. Postal Service return receipt requested, this 8<sup>th</sup> day of September 2020.

  
\_\_\_\_\_  
Norrie A. Falgoust, Compliance Investigator