

WASHINGTON METROPOLITAN AREA TRANSIT COMMISSION

SILVER SPRING, MARYLAND

ORDER NO. 16,290

IN THE MATTER OF:

Served April 5, 2016

FEKADU SHAPA HYBANO, Trading as)
GADOSOLO TRANSPORT, Revocation of) Case No. MP-2016-040
WMATC Insurance Endorsement and)
Investigation of Suspension and)
Revocation of Certificate No. 655)

Commission Regulation No. 58 requires respondent to insure the revenue vehicles operated under Certificate No. 655 for a minimum of \$1.5 million in combined-single-limit liability coverage and maintain on file with the Commission at all times proof of coverage in the form of a WMATC Certificate of Insurance and Policy Endorsement (WMATC Insurance Endorsement) for each policy comprising the minimum. Tiered or layered coverage is permitted, "provided that not more than one policy may be obtained for any one tier or layer."¹ It would appear that respondent is in violation of the one policy per tier rule.

Respondent currently has on file with the Commission a \$1.5 million primary WMATC Insurance Endorsement issued by National Continental Insurance Company. A vehicle list obtained from National Continental indicates that respondent has reported to National Continental the five vehicles on respondent's 2016 annual report. The annual report indicates that all five vehicles display for-hire plates from the District of Columbia. Records obtained from the District of Columbia Department of Motor Vehicles (DCDMV) show that instead of reporting the National Continental policy to DCDMV in order to obtain said plates, respondent has reported to DCDMV the names of five other insurance companies, such that according to DCDMV, each vehicle is insured under its own unique policy issued by an insurance company other than National Continental.

Normally, the WMATC Insurance Endorsement acts as a backstop since it provides coverage even in the event a vehicle is not identified in the policy, but the Endorsement is of little value if a claimant is not given accurate policy information.² On the facts in this record, claimants seeking insurance information from DCDMV will not be informed of the \$1.5 million WMATC Endorsement issued by National Continental. Thus, until respondent cancels duplicative policies and reports the National Continental policy to DCDMV, the public remains at risk.³

¹ Commission Regulation No. 58-02.

² *In re C.P.R. Med. Transp. LLC*, No. MP-10-053, Order No. 12,454 (June 23, 2010); *In re E-Z Med. Wheels, Inc.*, No. MP-03-110, Order No. 7461 (Oct. 10, 2003).

³ Order No. 12,454; Order No. 7461.

Under WMATC Regulation No. 58-09: "The Executive Director may, upon thirty days' notice, revoke any WMATC Insurance Endorsement if, in the judgment of the Executive Director, such security does not comply with the Commission's regulations or for any reason fails to provide satisfactory or adequate protection for the public."

The Commission has revoked the WMATC Insurance Endorsements of other carriers in the past under similar circumstances.⁴ Accordingly, we will revoke respondent's WMATC Insurance Endorsement, effective 30 days from the date of this order. Respondent shall have 30 days to replace the current Endorsement, file evidence that all duplicative policies have been canceled, and submit proof that the National Continental policy has been reported to DCDMV for all vehicles operated under WMATC Certificate No. 655.

THEREFORE, IT IS ORDERED:

1. That the \$1.5 million WMATC Insurance Endorsement issued by National Continental Insurance Co. and currently on file for respondent is hereby revoked, effective 30 days from the date of this order.

2. That respondent shall have 30 days from the date of this order to: (a) file the necessary replacement WMATC Endorsement(s); (b) file proof that all duplicative policies have been cancelled; and (c) submit proof that the National Continental policy has been reported to DCDMV for all vehicles operated under WMATC Certificate No. 655.

3. That Certificate No. 655 shall be automatically suspended under Regulation No. 58-12, and subject to revocation pursuant to Article XI, Section 10(c), of the Compact if respondent fails to timely file the necessary replacement WMATC Insurance Endorsement(s).

FOR THE COMMISSION:



William S. Morrow, Jr.
Executive Director

⁴ See Order No. 12,454 (one policy reported to WMATC another policy reported to MD Motor Vehicle Admin.); Order No. 7461 (vehicles listed on two separate primary policies).