

WASHINGTON METROPOLITAN AREA TRANSIT COMMISSION

SILVER SPRING, MARYLAND

ORDER NO. 16,381

IN THE MATTER OF:

Served May 24, 2016

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

Case No. MP-2016-040

This matter is before the Commission on the response of respondent to Order No. 16,290, served April 5, 2016.

**I. BACKGROUND**

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."<sup>1</sup>

As of April 5, 2016, respondent had 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 indicated that respondent had reported to National Continental the five vehicles on respondent's WMATC annual report for 2016. The annual report indicated that all five vehicles displayed for-hire plates from the District of Columbia. Records obtained from the District of Columbia Department of Motor Vehicles (DCDMV), however, showed that instead of reporting the National Continental policy to DCDMV in order to obtain said plates, respondent had reported to DCDMV the names of five other insurance companies, such that according to DCDMV, each vehicle was 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.<sup>2</sup> Given the facts above, claimants seeking insurance information from DCDMV as of April 5, 2016, would not

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<sup>1</sup> Commission Regulation No. 58-02.

<sup>2</sup> *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).

have been informed of the \$1.5 million WMATC Endorsement issued by National Continental, leaving the public at risk.<sup>3</sup>

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."

On April 5, 2016, Order No. 16,290 revoked respondent's WMATC Insurance Endorsement, effective May 5, 2016. The order gave respondent 30 days to file a new Endorsement, submit evidence that the duplicative policies had been subsequently canceled, and submit proof that the National Continental policy had been subsequently reported to DCDMV for all vehicles operated under WMATC Certificate No. 655.

## **II. RESPONSE TO ORDER NO. 16,290**

On April 15, 2016, respondent filed a new \$1.5 million WMATC Endorsement from National Continental, with an effective date of January 22, 2016, and an expiration date of May 8, 2016.

On April 29, 2016, respondent submitted evidence of cancelation of duplicative policies and evidence that the National Continental policy has been reported to DCDMV for all vehicles on respondent's 2016 annual report.

Later, respondent filed a new \$1.5 million WMATC Endorsement from Global Liberty Insurance Company of New York, with an effective date of May 8, 2016, and an expiration date of May 8, 2017. The record shows that the five vehicles reported in respondent's 2016 annual report have been reported to Global Liberty.

## **III. CONCLUSION**

Inasmuch as respondent has substantially satisfied the requirements of Order No. 16,290, this proceeding is hereby terminated.

IT IS SO ORDERED.

FOR THE COMMISSION:



William S. Morrow, Jr.  
Executive Director

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<sup>3</sup> Order No. 12,454; Order No. 7461.