Rebuke and Revenge at Met Life

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Agent's Evidence
Led to Crackdown

By MICHAEL QUINT

RUTHERFORD, N.J. — Rick Saba came from a family in which all three were
wants to work selling life insurance for the Metropolitan Life Insurance
Company. So even though the three brothers in the business that they
joked about vanitying themselves with the Met Life logo, and
they formed in that town near
Ruthefhurdf, collected Met Life life

The work offered a good living. "The money kept on flowing once you
were an agent," recalled Mr. Saba, now 38 years old. "My brother was a driving
achiever and bought a five-bedroom house.

But within a few years, the seam
ly way in which a number of some fellow agents who were
enemies among the Met Life agents in western Pennsylvania
started to trouble Mr. Saba. Unlike
ever so far, he began complaining to his superiors, thinking
that management was being greedy. His reward: he was fired.

State investigation

Mr. Saba put his revenge. He gave away
regulars who said that at an investigation and a blurring report
that forced Met Life to offer maximum term life insurance to
60,000 Pennsylvania customers who
were supposed to have been
misled about their age policy and
the amount of life insurance they
were given. As part of a settlement of the case, state
— there is no Federal
regulation of state sales practices
— on sales practices by the
2,900 Life insurance companies that
represent Met Life and other companies
in the state, there was a $20 million settlement of
improper sales activities conduct-

Robert Gallup, general counsel of the
Pennsylvania Insurance Department, said the settlement is the largest in state
history.

"It's a tremendous victory," Mr. Gallup said.

The second agent was 
name of the company, a policyholder who
fought for years to get his policy.

"He's a very, very good
man," Mr. Gallup said.

The Pennsylvania insurance
commission, which
is agreements to
the policy.

The second agent was
Mr. Saba's brother,
but the fraud was uncovered after
they were no longer working for
the company.

A growing
movement
against
life insurance sales pacts.

with which they would
account for no more than
12 percent of the polic
and 9 percent of the agents
in the state
reported a new policy

Mr. Saba said that as a new
agent he was surprised to hear
of so many complaints, particularly
about older agents, who were
suspected of being

"Those two guys were Gary Antoni,
and his brother, Ralph. They
were among the most
complaints against Met Life.

Mr. Saba said, laying
the blame for the
complaints on the
company.

"We're a big company and
we're not the only ones

Using the cash in
old policies to buy
new ones.

By varied procedures and
tacticss, Met Life and
other companies have been
hard to track in recent
years.

Sources say that the
company has been

Evidence provided by Rick Saba led to a Pennsylvania report that forced Met Life to offer reinsurance to many of 58,000 customers in what
Laude holds a copy of the report.