

STATE OF ALASKA
DEPARTMENT OF COMMERCE AND ECONOMIC DEVELOPMENT
DIVISION OF INSURANCE
3601 C STREET, SUITE 1324
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STATE OF ALASKA

DEPARTMENT OF COMMERCE AND ECONOMIC DEVELOPMENT

DIVISION OF INSURANCE

In the Matter of:)
)
MARY H. BUSTOS,)
)
Licensee.)
_____)

Case No. D99-05

STIPULATED AGREEMENT AND ORDER

The Division of Insurance, Department of Commerce and Economic Development (division), and Mary H. Bustos (Bustos), licensee in this case, stipulate and agree to the following resolution of the statutory violations regarding Bustos' proper licensure identified in the division's Report of Managing General Agent Market Conduct Examination of North Star Underwriting Managers, Inc., as approved by order of the director on December 2, 1997.

I. BACKGROUND

In March 1997, Bustos submitted an application for a managing general agent license with North Star Underwriting Managers, Inc. (North Star). After the division received all the necessary requirements, the division issued a managing general agent license to Bustos in August 1997.

The division conducted an examination under AS 21.06.120 of the affairs, transactions, accounts, and records of North Star. The examination period covered January 1,

1 1995 through July 31, 1997. One of the tests of the examination determined if all persons
2 involved in a transaction were properly licensed. The division determined that, of the files
3 examined, there were 16 instances where Bustos performed functions of a managing general
4 agent as defined in AS 21.90.900(27) before she was properly licensed to do so.

5
6 II. TERMS OF AGREEMENT

7 1. Bustos admits that she violated AS 21.27.010 by being involved in
8 transactions where a managing general agent's license was required before she had such a
9 license.

10 2. Bustos agrees to pay a civil penalty of \$2,500, as allowed under AS
11 21.27.440, with \$1,500 suspended, which is payable no later than one year from the date this
12 agreement and order is signed by the director.

13 3. In the event Bustos violates the insurance code or applicable regulations
14 during the next two years, the suspended penalty referenced in paragraph 2 will be reinstated.
15 Bustos also will be subject to any and all sanctions authorized by the insurance code for such
16 violations including imposition of additional fines or penalties.

17 4. By signing this agreement, Bustos understands and agrees that any failure
18 to comply with the terms of this agreement may be grounds to revoke, suspend, or non-renew
19 her Alaska insurance license.
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DATED: 8-31-99

DIVISION OF INSURANCE

By: Linda Brunette
Linda Brunette
Licensing Supervisor

DATED: 6/2/99

Mary H. Bustos
Mary H. Bustos

Approved as to form and content:

DATED: 9/7/99

BRUCE M. BOTELHO
ATTORNEY GENERAL

By: Signe P. Andersen
Signe P. Andersen
Assistant Attorney General

ORDER

IT IS ORDERED that this Stipulated Agreement and Order is adopted in full resolution of the issues in this case, and shall constitute the final order in this matter.

DATED this 7th day of September, 1999.

Robert A. Lohr
Marianne K. Burke
Director of Insurance