

STATE OF ALASKA
DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT
DIVISION OF INSURANCE
3601 C STREET, SUITE 1324
ANCHORAGE, ALASKA 99503-7900
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STATE OF ALASKA
DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT
DIVISION OF INSURANCE

In the Matter of:)
HEFFERNAN-PETERSEN)
INSURANCE BROKERS)
Licensee.)

Case No. D 00-04

STIPULATED AGREEMENT AND ORDER

The Division of Insurance, (division) and Heffernan-Petersen Insurance Brokers (Heffernan), the licensee in this case, stipulate and agree that the unlicensed activity that occurred before Heffernan applied for and the division issued license #18684 to it and license #5022 to Edward J. Dantzig as its Principal/Compliance Officer is resolved as follows:

1. Heffernan brokers and administers a national program for the Presbyterian Church. Heffernan admits that, although the firm did not initially solicit the insurance business or advertise its insurance products in Alaska, upon its request, Heffernan did prepare a proposal for the Presbytery of the Yukon in Anchorage, a member of the Synod of the Pacific. The Presbytery then sent premium money to the Synod of the Pacific, which in turn arranged for coverage under its master policy through Heffernan. While in Alaska, the Presbytery accepted Heffernan's proposal and coverage was bound, effective April 1, 1998 to February 1, 1999.

1 2. Heffernan admits that all the activity described in paragraph 1 occurred
2 before it had even applied for an Alaska insurance license, in violation of AS 21.27.010.

3
4 Although an Alaska license was applied for on or about September 1, 1998, the application
5 process was not completed and the licenses were not issued until March 17, 1999.

6 3. Heffernan admits that the policy for the Presbytery was renewed on
7 February 1, 1999 for a year. This renewal occurred before Heffernan was issued its Alaska
8 licenses on March 17, 1999, which is also a violation of AS 21.27.010.

9
10 4. Heffernan agrees to pay a civil penalty under AS 21.27.440(a) of
11 \$1,815.72, which equals the amount of commissions it earned for the unlicensed activity that
12 occurred between April 1, 1998 and March 16, 1999, with \$900 suspended. The unsuspended
13 portion of the penalty is due no later than six months from the date this agreement and order is
14 signed by the director.

15 5. In the event Heffernan violates the insurance code or applicable
16 regulations during the next two years (in particular, failure to renew the licenses timely), the
17 suspended portion of the fine referenced in paragraph 4 will be reinstated. Heffernan also will
18 be subject to any and all sanctions authorized by the insurance code including imposition of
19 additional fines or penalties.
20

21 6. By signing this agreement, Heffernan understands and agrees that any
22 failure to comply with the conditions of this agreement will be grounds to revoke, suspend, or
23 not renew Alaska insurance licenses #18684 and #5022.
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1 7. Heffernan understands that this agreement is not binding on the parties
2 unless and until the director signs the order approving the agreement.

3 DATED 6/9/00

DIVISION OF INSURANCE

5 By: Linda Brunette
6 Linda Brunette
7 Licensing Supervisor

8 DATED: 5/30/00

HEFFERNAN-PETERSEN
INSURANCE BROKERS

10 By: Edward J. Dantzig
11 Edward J. Dantzig
12 Senior Vice President and
13 Principal/Compliance Officer

14 Approved as to form and content:

15 DATED: 6/14/2000

BRUCE M. BOTELHO
ATTORNEY GENERAL

17 By: Virginia A. Rusch
18 Virginia A. Rusch
19 Assistant Attorney General

20 ORDER

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

23 DATED this 16th day of June, 2000.

24 Robert A. Lohr
25 Robert A. Lohr
26 Director of Insurance

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