

STATE OF ALASKA

DEPARTMENT OF COMMERCE, COMMUNITY, & ECONOMIC DEVELOPMENT

DIVISION OF INSURANCE

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5 In the Matter of: )  
6 MARK A. RUND, )  
7 Licensee. )  
8 \_\_\_\_\_ )

9 Case No. D 05-25

10 STIPULATED AGREEMENT AND ORDER

11 The Division of Insurance (division) and Mark A. Rund (Mr. Rund), the licensee  
12 in this case, stipulate and agree to the following:

13 I. BACKGROUND

14 A. Effective December 3, 2004, the division issued an individual in a firm  
15 producer insurance limited lines credit license to Mr. Rund, under license #42444 based on the  
16 application that Mr. Rund submitted to the division on or about November 29, 2004.

17 B. Question 38.1. of the application asks: "Have you ever been convicted  
18 of, or are you currently charged with committing a crime, whether or not adjudication was  
19 withheld?" To this question, Mr. Rund answered "no."

20 C. Because Mr. Rund's application was complete and his answers on the  
21 application did not indicate any reason not to issue him a license, the division issued the license  
22 before the background check was completed on Mr. Rund's fingerprint cards that he submitted  
23 as part of the application process.  
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STATE OF ALASKA  
DEPARTMENT OF COMMERCE, COMMUNITY, AND ECONOMIC DEVELOPMENT  
DIVISION OF INSURANCE  
550 WEST SEVENTH AVENUE, SUITE 1560  
ANCHORAGE, ALASKA 99501-3567  
PHONE: (907) 269-7900  
FAX: (907) 269-7910  
TDD: (907) 465-5437

1           D.     On or about February 17, 2005, the division received the results of Mr.  
2 Rund's fingerprint background check. The report revealed that Mr. Rund was convicted of  
3 felony theft for burglary in 1979 in Kansas and was sentenced to five years confinement with  
4 two years probation. Mr. Rund did not reveal this conviction on his application.  
5

6           E.     In an interview with a division investigator, Mr. Rund denied he has been  
7 sentenced to five years confinement and two years probation for the incident in Kansas. He  
8 stated that he was totally unaware of the existence of the record of a felony conviction until he  
9 received this information from the background check. Further, in a letter to the division dated  
10 March 23, 2005, Mr. Rund stated that he did not intentionally mislead the division about this  
11 felony as he believed the conviction was a misdemeanor until he received a copy of the file  
12 from his attorney in March, and that he believed the conviction was no longer relevant as he  
13 had had numerous background checks for past employment and this incident did not appear.  
14

15           F.     The Kansas court records indicate a plea of guilty was entered for a count  
16 of attempted felony theft and, although the sentence did indicate confinement, the records then  
17 indicated Mr. Rund was placed on probation for two years with no confinement. On July 9,  
18 1980, the Kansas court ordered the probation terminated and the defendant discharged.  
19

20           G.     Since the initial application to the division for a license, through his  
21 attorney, Mr. Rund requested the Kansas court for an order for expungement of the conviction,  
22 which was granted on March 8, 2005.

23           H.     The director has fully reviewed Mr. Rund's file.

24           II.    TERMS OF AGREEMENT

25           1.     Within six months of the date the director signs the order approving this  
26 agreement, Mr. Rund will successfully complete a course in professional ethics in insurance

1 that has been approved in advance by the director or her designee and provide proof of that  
2 completion to the division.

3  
4 2. Mr. Rund agrees to pay a civil penalty under AS 21.27.440(a) in the  
5 amount of \$1,500, with \$500 suspended. The unsuspended portion of the penalty is payable at  
6 the time Mr. Rund is notified that the director has signed the order approving this agreement.

7 3. In the event Mr. Rund violates the insurance code or applicable  
8 regulations during the next two years, the suspended portion of the fine referenced in paragraph  
9 2 will be reinstated. Mr. Rund also will be subject to any and all sanctions authorized by the  
10 insurance code including imposition of additional fines or penalties.

11 4. By signing this agreement, Mr. Rund understands and agrees that any  
12 failure to comply with the conditions of this agreement will be grounds to revoke, suspend, or  
13 not renew Alaska insurance license #42444.

14 6. Mr. Rund understands that this agreement is not binding on the parties  
15 unless and until the director signs the order approving the agreement.

16  
17  
18 DATED: 1.13.06

DIVISION OF INSURANCE

19  
20 By:   
21 Linda Brunette  
22 Program Coordinator

23  
24 DATED: 12-28-05

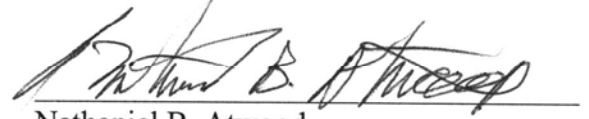
  
25 Mark A. Rund  
26

1 Approved as to form and content:

2  
3 DATED: 1/18/06

DAVID W. MARQUEZ  
ATTORNEY GENERAL

4  
5 By:

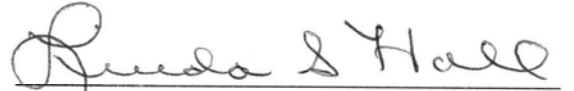


Nathaniel B. Atwood  
Assistant Attorney General

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8 ORDER

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

11  
12 DATED this 19<sup>th</sup> day of January, 2006.



Linda S. Hall  
Director of Insurance