

STATE OF ALASKA

DEPARTMENT OF COMMERCE, COMMUNITY, AND ECONOMIC DEVELOPMENT

DIVISION OF INSURANCE

In the Matter of:)
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WENTWORTH - DeANGELIS, INC.)
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Licensee)
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_____)

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JAN 05 2015

HOLLAND & KNIGHT

Case No. D 14-17

CIM #	142837.00001	
DUE DATE	EVENT	CAL'D BY
INT:	LWF NHC	
EXT:		
ORG:	COIF AHS	

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

STIPULATED AGREEMENT AND ORDER

The Division of Insurance (division) and Wentworth - DeAngelis, Inc. (WD), the licensee in this case, stipulate and agree to the following:

I. BACKGROUND

A. WD holds Alaska insurance license number 76257 for producer and surplus lines broker authority.

B. On or about June 19, 2013, WD's attorney notified the division that

(i) WD had a lawsuit against Stephen Nims (Nims) and Associated Insurance Services (Associated);

Wentworth - DeAngelis, Inc.
Stipulated Agreement and Order
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2 (ii) the Broker of Record on one of WD's accounts in Alaska was changed
3 from WD to Associated; and

4 (iii) "[o]ur information indicates...that neither Nims nor Associated was
5 licensed to conduct business in Alaska at that time."
6

7 C. WD's attorney also requested the division to investigate the situation.

8 D. On or about June 28, 2013, the division notified WD's attorney that the division
9 had opened an investigation into Nims to determine the validity of WD's complaint and
10 requested any corroborating documentation.

11 E. In the course of the investigation, the division reviewed Nims' file and
12 requested additional information on the matter from Nims. In response to the division's request,
13 Nims confirmed that the Broker of Record was executed effective on or about May 28, 2013,
14 which was before Nims obtained his individual Alaska license on or about May 31, 2013.
15

16 F. As required, Nims also provided the division with a notarized statement
17 attesting to whether any Alaska business was transacted during the period Nims was not
18 appropriately licensed.
19

20 G. Nims' statement indicated that one Alaska insured was covered for three years
21 between on or about January, 2011 and May, 2013. Nims did not receive the \$22,400 earned in
22 commissions for the 2011 and 2012 years but was paid \$8,000 by WD for the months the
23 policies were issued.
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2 H. On or about January 7, 2014, the division notified WD's attorney that Ralph E.
3 Wentworth, as compliance officer for WD, is responsible for the firm's compliance with the
4 insurance laws of Alaska and that the unlicensed transactions by Nims while employed or
5 under contract by WD subject the firm to civil penalties under AS 21.27.440.¹ WD notified the
6 division that it disagrees with the division on the grounds that Nims' was an independent
7 contractor and that WD had no knowledge of Mr. Nims unlicensed transactions in Alaska. WD
8 maintains that neither it nor Ralph Wentworth had responsibility or liability under the Alaska
9 Insurance Code for Mr. Nims' unlicensed transactions in Alaska.
10

11 II. TERMS OF AGREEMENT

12 1. The division and WD acknowledge that each party has agreed to the execution
13 of this Stipulated Agreement and Order solely for the purposes of settlement. Without
14 prejudice to the positions of either party, and without acknowledging any violation of the
15 Alaska Insurance Code, WD agrees to pay a civil penalty under AS 21.27.440 in the amount of
16 \$22,400.00, with \$17,400.00 suspended. The unsuspended penalty of \$5,000.00 is payable at
17 the time WD has been notified that the director has signed the order adopting this agreement.
18

19 2. In the event that WD violates Alaska insurance laws during the next two years,
20 the suspended portion of the penalty referenced in paragraph one will be reinstated. WD also
21 will be subject to any and all sanctions authorized by the insurance laws including imposition
22 of additional penalties.
23

24
25 ¹ WD's attorney asserts Nims was not WD's employee but was an independent contractor and WD had no
26 knowledge of Nims' violation of the Alaska Insurance Code. The division takes no position on these
issues as WD remains responsible under Alaska law for ensuring those acting on its behalf are properly
licensed.

Wentworth - DeAngelis, Inc.

Stipulated Agreement and Order

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2 3. By signing this agreement, WD understands and agrees that any failure to comply
3 with the conditions of this agreement will be grounds to revoke, suspend, or not renew Alaska
4 insurance number 76257.

5
6 4. WD understands that this agreement is not binding on the parties unless and
7 until the director signs the order adopting this agreement.

8 DATED: 1-12-15

DIVISION OF INSURANCE

9 By: Linda Brunette
10 Linda Brunette
Program Coordinator

11
12 DATED: 1-6-15

WENTWORTH - DeANGELIS, INC.

13
14 By: Ralph E. Wentworth
15 Ralph E. Wentworth
16 Compliance Officer
Wentworth - DeAngelis, Inc.

17 Approved as to form and content:

18 DATED: 1/14/15

CRAIG W. RICHARDS
ATTORNEY GENERAL

19
20 By: Erin K. Egan
21 Erin K. Egan
22 Assistant Attorney General

23 ORDER

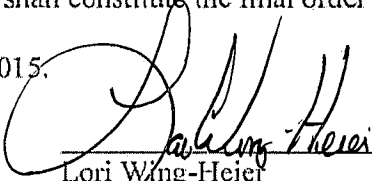
24 IT IS ORDERED that this Stipulated Agreement and Order is adopted in full

25
26 Wentworth - DeAngelis, Inc.
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resolution of the issues in this case, and shall constitute the final order in this matter.

DATED this 20th day of January, 2015.



Lori Wing-Heier
Director

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