

STATE OF ALASKA

DEPARTMENT OF COMMUNITY & ECONOMIC DEVELOPMENT

DIVISION OF INSURANCE

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3  
4 In re: )  
5 )  
6 APPLICATION FOR LICENSE )  
7 OF C. SEAN TYREE, )  
8 P.O. Box 230374 )  
9 Anchorage, AK 99523-0374. )  
10 \_\_\_\_\_ )

Case No. LD 01-01

11 In re: )  
12 )  
13 APPLICATION FOR WAIVER )  
14 UNDER 18 U.S.C. 1033(e)(2) )  
15 OF C. SEAN TYREE. )  
16 \_\_\_\_\_ )

Case No. W 01-01

STIPULATED AGREEMENT AND ORDER

The Division of Insurance (division), C. Sean Tyree (Mr. Tyree), and Albert Michael Daniels (Mr. Daniels), stipulate and agree to the following:

I. BACKGROUND

A. On or about April 5, 2001, the division received an application for an insurance producer license from Mr. Tyree to transact life, health, property, casualty, surety, and marine lines of insurance. He listed his employer as Country Companies Insurance and Financial Services, which is listed in the division's licensing records as CC Services, Inc.

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DIVISION OF INSURANCE  
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B. In that application Mr. Daniels, as manager of the firm, signed the following statement: "By signature below, I certify that I understand that I am responsible for the actions of this applicant."

C. Question 12(e) of the application asks "Have you ever been convicted of a misdemeanor or felony in this or any other state or country, or pleaded no contest or nolo contendere to any indictment or complaint for a crime or offense, or received a suspended imposition of sentence and/or been placed on probation?" At the end of this question is the following sentence: "If you have answered "yes" to **any** of these questions, you must submit a **notarized** statement detailing: 1. date of occurrence; 2. the name and address of the court; and 3. the circumstances."

D. Because Mr. Tyree answered "yes" to question 12(e) on the application, he submitted a notarized statement dated April 2, 2001. He stated that "I was involved in an isolated, alcohol-related incident more than 10 year ago . . . . The official charge was burglary but, as previously sated, alcohol was the contributing factor."

E. The division obtained a copy of the Judgment and other documents related to the conviction. The judgment, dated June 1, 1990, indicates that Mr. Tyree pled nolo contendere to and was convicted of theft in the second degree under AS 11.46.130(a)(2), which is a Class C felony. The court suspended the imposition of his sentence for three years conditioned upon, among other requirements, Mr. Tyree being placed on probation; seeking and maintaining employment; residing in a Community Residential Center for six months, for which he was to contribute 33 percent of his net salary for room and board; participating in an alcohol/drug rehabilitation counseling program and in an educational/vocational training

1 program; and paying restitution to the aggrieved party. On January 8, 1991, the court entered a  
2 Judgment and Disposition Revoking Probation whereby Mr. Tyree's probation was extended  
3 from the original three-year period to five years. On July 16, 1991, the court entered a  
4 Judgment and Disposition Revoking Probation under which Mr. Tyree was ordered to serve 18  
5 months in jail with that time suspended on the condition that Mr. Tyree remain on probation for  
6 five years from the date of that order. Since that time, he has successfully completed his  
7 probation and fully paid all restitution and fines.  
8

9 F. The division initiated an investigation of Mr. Tyree to verify that the  
10 information on Mr. Tyree's insurance application was accurate and complete. That  
11 investigation and additional information that Mr. Tyree provided to the division revealed in  
12 addition to the above-reference conviction the following misdemeanor convictions: criminal  
13 mischief, theft in the third degree, and two incidents of criminal trespass. When interviewed by  
14 a division investigator, Mr. Tyree stated that he had forgotten these incidents and that he was  
15 not trying to conceal anything on his license application. He stated that he was really trying to  
16 do something good with his life, that he had gone back to school while working full time and  
17 had obtained a Bachelor's Degree in Finance. He also stated that he has done a lot in his life to  
18 make sure that he doesn't return to his former pattern of behavior.  
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21 G. Because Mr. Tyree's felony conviction was for a crime of dishonesty,  
22 under 18 U.S.C. 1033(e)(2) he is required to obtain the director's express consent to work in the  
23 business of insurance. By application received by the division on May 7, 2001, Mr. Tyree  
24 requested the director's consent to work in the business of insurance, as required under  
25 18 U.S.C. 1033(e)(2) and submitted information in support of his request.  
26

1 H. The director has fully reviewed Mr. Tyree's file, including the  
2 circumstances of his convictions, the proceedings of the imposition of sentence, and his  
3 subsequent attempts to rehabilitate himself.

4 II. TERMS OF AGREEMENT

5 1. Under separate letter, the director will grant written consent allowing Mr.  
6 Tyree to engage in the business of insurance under 18 U.S.C. 1033(e)(2), which is conditioned  
7 on Mr. Tyree complying with the terms of this agreement, not violating the insurance code or  
8 regulations, and not committing any crimes in the future involving dishonesty or breach of trust  
9 or that otherwise bear on his trustworthiness or competency to hold an insurance license.  
10

11 2. The division will issue an insurance producer license for Mr. Tyree as an  
12 individual working in a firm subject to the following conditions:  
13

14 a. Within six months of the date the director signs the order  
15 approving this agreement, Mr. Tyree will successfully complete a course in professional ethics  
16 in insurance that has been approved in advance by the director or his designee and provide  
17 proof of that completion to the division.

18 b. Mr. Tyree will submit to the division quarterly sworn statements  
19 indicating that he has complied with the insurance code and applicable regulations. The  
20 statements should be in a form similar to the attached Exhibit A and must also be signed under  
21 oath by his supervisor, Mr. Daniels, or his successor as manager or compliance officer of the  
22 firm. If a new manager or compliance officer replaces Mr. Daniels, Mr. Tyree agrees to provide  
23 the director with a letter from the new person agreeing to assume the obligations of the manager  
24 or compliance officer under this agreement. These conditions will remain in effect for five  
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1 years from the date the division issues Mr. Tyree a license. During that period of time, Mr.  
2 Tyree will report directly to Mr. Daniels or his successor.

3 c. Mr. Tyree may not be licensed as an individual producer or as a principal or  
4 compliance officer of an insurance firm for a period of five years from the issuance of his  
5 license. At the end of the five-year period, Mr. Tyree may apply to the division for an insurance  
6 license that gives him the authority to handle premium trust funds, subject to certain conditions  
7 and reporting requirements to be established by the division, including providing to the division  
8 for approval a plan of operation to ensure compliance with the insurance statutes and  
9 regulations, a description of internal accounting procedures including premium trust account  
10 procedures and regular financial reporting regarding the status of the premium trust account.  
11 The parties understand that this agreement may be amended to enumerate such new conditions  
12 and reporting requirements and any such amendment must be in writing, signed by all the  
13 parties.  
14

15  
16 d. Should Mr. Tyree change his place of employment at any time  
17 within five years from the issuance of his license, he must provide each new employer with a  
18 copy of this agreement, and he must first provide the director with a letter from the compliance  
19 officer of his new employer agreeing to assume the obligations of the manager or compliance  
20 officer under this agreement.  
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22 e. In addition to the notice requirement of AS 21.27.025, Mr. Tyree  
23 will immediately notify the director of any criminal investigation involving him or any criminal  
24 charges that have been filed against him.  
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3. By signing this agreement, Mr. Tyree and Mr. Daniels understand and agree that any failure to comply with the terms of this agreement may be grounds to revoke, suspend, or non-renew Mr. Tyree's Alaska insurance license.

DATED: 7.10.01

DIVISION OF INSURANCE

By: Linda Brunette  
Linda Brunette  
Licensing Supervisor

DATED: 7-5-01

C. Sean Tyree  
C. Sean Tyree

DATED: 7-5-01

CC SERVICES, INC.

By: Albert Michael Daniels  
Albert Michael Daniels, Manager

Approved as to form and content:

DATED: 7/6/01

BRUCE M. BOTELHO  
ATTORNEY GENERAL

By: Nathaniel B. Atwood  
Nathaniel B. Atwood  
Assistant Attorney General

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ORDER

1  
2 IT IS ORDERED that this Stipulated Agreement and Order is adopted in full  
3 resolution of the issues in this case, and shall constitute the final order in this matter.

4 DATED this 10 day of July, 2001.

5 ROBERT A. LOHR  
6 Director

7 By   
8 Stan Ridgeway  
9 Deputy Director