

STATE OF ALASKA
DEPARTMENT OF COMMERCE, COMMUNITY, & ECONOMIC DEVELOPMENT
DIVISION OF INSURANCE

In the Matter of:)
)
BARBARA E. KARDYS, d/b/a)
ADJUSTING SPECIALTY GROUP, INC.,)
)
Licensee.)
_____)

Case No. D 06-13

STIPULATED AGREEMENT AND ORDER

The Division of Insurance (division) and Barbara E. Kardys, d/b/a Adjusting Specialty Group, Inc. (Ms. Kardys), stipulate and agree to the following:

I. BACKGROUND

A. Barbara E. Kardys, d/b/a Adjusting Specialty Group, Inc. (Ms. Kardys) holds individual independent insurance adjuster license #3035. The license under the d/b/a Adjusting Specialty Group, Inc. was issued on or about July 25, 2006. Until July 1, 2006, under license #8986 held by the adjusting firm Arctic Adjusters, Inc., Ms. Kardys was the firm's president and compliance officer. That license was surrendered to the division on or about July 1, 2006, and the corporation was voluntarily dissolved.

B. On or about December 30, 2005, a notice of examination under AS 21.06.130 was delivered to Ms. Kardys. The scope of the examination covered both licenses 3035 and 8986. As president and compliance officer of the firm, Arctic Adjusters, Inc., Ms. Kardys was responsible for ensuring that the firm complied with Alaska insurance law.

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C. The division conducted a market conduct examination of the licensees for the period January 1 through December 31, 2005. The field work was completed on July 13, 2006. The division issued a report of the examination under AS 21.06.150(b) in conformity with the cited time requirements. Under AS 21.06.150(b), Ms. Kardys was provided an opportunity to respond in writing to the matters contained in the examination report. The division received no such response from her.

D. On October 9, 2006, the director issued an order approving the report of market conduct examination dated August 25, 2006. In her order, the director concluded that the examination report cited sufficient evidence to proceed with administrative action for conduct in violation of Alaska law.

E. The report of the examination of 57 files revealed 31 files with a total of 116 violations of AS 21.27.870, AS 21.36.125, 3 AAC 26.030, 3 AAC 26.040, 3 AAC 26.050, or 3 AAC 26.100 or a combination of those laws.

F. These 116 violations subject Ms. Kardys to civil penalties under AS 21.27.440 and AS 21.36.320 in a total amount of up to \$500,000.

G. The violations described in paragraph E above subject Ms. Kardys' license to revocation under AS 21.27.410, 21.27.440, and AS 21.36.320.

II. TERMS OF AGREEMENT

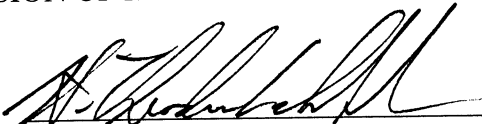
1. Pursuant to AS 21.27.420, the division will revoke Ms. Kardys' individual independent insurance adjuster license #3035.
2. Ms. Kardys agrees to pay a civil penalty under AS 21.27.440 in the amount of \$500,000 with \$500,000 suspended.

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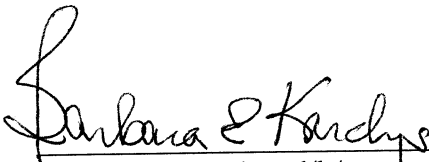
3. Ms. Kardys understands that this agreement is not binding on the parties unless and until the director signs the order approving the agreement.

DATED: 1-11-07

DIVISION OF INSURANCE

By: 
H. Ted Lehrbach
Chief of Market Conduct

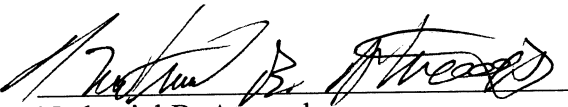
DATED: 12/29/06


Barbara E. Kardys, d/b/a
Adjusting Specialty Group, Inc.

Approved as to form and content:

DATED: 1/4/07


TALIS J. COLBERG
ATTORNEY GENERAL

By: 
Nathaniel B. Atwood
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 11th day of January, 2007.


Linda S. Hall
Director