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2 STATE OF ALASKA
3 DEPARTMENT OF COMMERCE AND ECONOMIC DEVELOPMENT
4 DIVISION OF INSURANCE

5
6 CEASE AND DESIST ORDER 94-01
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9 TO: Mark McMeans
10 Sedgwick James of Arizona Inc.
11 1414 West Broadway, Suite 200
12 Tempe, AZ 85282

13 It has been determined by the Division of Insurance that you have engaged in
14 transacting a business of insurance in Alaska, or relative to a subject resident,
15 located or to be performed in Alaska. The transaction of a business of insurance
16 in Alaska is defined in AS 21.90.900(39), which states:

17 "Transact" with respect to insurance includes

- 18 (A) solicitation and inducement;
19 (B) preliminary negotiations;
(C) effectuation of contract of insurance;
(D) transaction of matters subsequent to effectuation of the contract of insurance and arising out of it.

20 In order to transact insurance in Alaska, a person must hold the appropriate
21 license. This is required by AS 21.27.010(a) which states:

22 A person may not act as or represent to be an insurance producer,
23 managing general agent, reinsurance intermediary broker, reinsurance
24 intermediary manager, surplus lines broker, or independent adjuster in
25 this state or relative to a subject resident, located or to be performed in
26 this state unless licensed under this chapter. A person may not act as or
represent to be a managing general agent, reinsurance intermediary
broker, or reinsurance intermediary manager representing an insurer
domiciled in this state regarding a risk located outside this state unless
licensed by this state.

1 AS 21.27.440(a) states:

2 In addition to any other penalty provided by law, a person that the director
3 determines under AS 21.06.170 - 21.06.240 has violated the provisions of
this chapter is subject to

4 (1) a civil penalty equal to the compensation promised, paid, or to be
5 paid, directly or indirectly, to a licensee in regard to each violation;

6 (2) either a civil penalty of not more than \$10,000 for each violation or a
7 civil penalty of not more than \$25,000 for each violation if the director
determines that the person willfully violated the provisions of this chapter;
and

8 (3) denial, nonrenewal, suspension or revocation of a license.

9 Since you do not hold the appropriate license and have been transacting the
10 business of insurance in this state, you are hereby ordered to cease and desist
from further violation of Alaska Law. Continued transaction of insurance in
11 Alaska will be considered a gross and willful violation and will be subject to
appropriate administrative action, as well as possible criminal remedies.

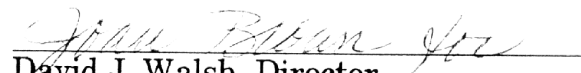
12 Enclosed are the application forms to apply for licensure. Instructions for
13 application are indicated on the forms.

14 This order is effective immediately.

15 Dated at Juneau, Alaska this 21st day of January, 1994.

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David J. Walsh, Director
Division of Insurance

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