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

In the Matter of:)
)
ROCKY J. WATERBURY,)
)
Licensee.)
_____)

Case No. D 02-02

STIPULATED AGREEMENT AND ORDER

The Division of Insurance (division) and Rocky J. Waterbury (Mr. Waterbury), stipulate and agree to the following:

I. BACKGROUND

A. On or about November 26, 2001, the division received a request from Mr. Waterbury to change the status of his license number 7264 from an individual to the manager of the firm CC Services, Inc.

B. Upon receipt of information from the National Association of Securities Dealers alleging that Mr. Waterbury might have misappropriated insurance premiums, the division conducted an investigation regarding Mr. Waterbury.

C. The investigation revealed that Mr. Waterbury violated AS 21.36.030 by misrepresenting the terms of one insurance policy he sold and violated the reporting and accounting requirements for premiums as set out in AS 21.27.360, both of which could be grounds for denial, nonrenewal, suspension, or revocation of his license under AS 21.27.410(a)(5) and (8).

STATE OF ALASKA
DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT
DIVISION OF INSURANCE
3601 C STREET, SUITE 1324
ANCHORAGE, ALASKA 99503-7900
PHONE (907) 269-7900
FAX (907) 269-7910
TDD (907) 465-5437

1 II. TERMS OF AGREEMENT

2 1. The division will transfer license number 7264 to Mr. Waterbury as an
3 individual in the firm, CC Services, Inc. subject to the following conditions:

4 a. Within six months of the date the director signs an order
5 approving this agreement, Mr. Waterbury will successfully complete a course in professional
6 ethics in insurance that has been approved in advance by the director or his designee and
7 provide proof of that completion to the division.

8 b. Mr. Waterbury will submit to the division quarterly sworn
9 statements indicating that he has complied with the insurance code and applicable regulations.
10 The statements should be in a form similar to the attached Exhibit A and must also be signed
11 under oath by his supervisor, Compliance Officer Albert Michael Daniels, or Mr. Daniels'
12 successor as compliance officer of the firm. If there is a new compliance officer, Mr.
13 Waterbury agrees to provide the director with a letter from the new person agreeing to assume
14 the obligations of the compliance officer under this agreement. These conditions will remain in
15 effect for two years from the date the division issues Mr. Waterbury the changed license.
16 During that period of time, Mr. Waterbury will report directly to Mr. Daniels or his successor.

17 c. Should Mr. Waterbury change his place of employment at any
18 time within two years from the issuance of his license, he must provide each new employer
19 with a copy of this agreement, and he must first provide the director with a letter from the
20 compliance officer of his new employer agreeing to assume the obligations of the compliance
21 officer under this agreement.
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1 d. Mr. Waterbury agrees to pay a civil penalty under
2 AS 21.27.440(a) in the amount on \$1,000 with \$500 suspended. The unsuspended portion of
3 the penalty is due no later than six months from the date the director signs the order approving
4 this agreement.
5

6 e. In the event Mr. Waterbury violates the insurance code or
7 applicable regulations during the next two years, the suspended portion of the civil penalty
8 under d of this paragraph will be reinstated. Mr. Waterbury also will be subject to any and all
9 sanctions authorized by the insurance code including imposition of additional fines or penalties.
10

11 2. By signing this agreement, Mr. Waterbury and Mr. Daniels understand
12 and agree that any failure to comply with the terms of this agreement may be grounds to revoke,
13 further suspend, or non-renew Alaska insurance license number 7264.

14 3. Mr. Waterbury understands that this agreement is not binding on the
15 parties unless and until the director signs the order approving the agreement.
16

17 DATED: 1-28-02

DIVISION OF INSURANCE

18 By: Linda Brunette
19 Linda Brunette
20 Licensing Supervisor
21

22 DATED: 1-25-02

23 Rocky J. Waterbury
24 Rocky J. Waterbury
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DATED: 1/25/02

CC SERVICES, INC.

By: Albert Michael Daniels
Albert Michael Daniels
Compliance Officer

Approved as to form and content:

DATED: 1/25/02

BRUCE M. BOTELHO
ATTORNEY GENERAL

By: Nathaniel B. Atwood
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 1st day of February, 2002.

Robert A. Lohr
Robert A. Lohr
Director

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