

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

In the Matter of:)
)
FSC SECURITIES CORPORATION)
)
Applicant)
)
_____)

Case No. D 17-03

STIPULATED AGREEMENT AND ORDER

The Division of Insurance (division) and FSC Securities Corporation (FSC), the applicant in this case, stipulate and agree to the following:

I. BACKGROUND

A. On or about February 13, 2017, the division received FSC's electronic application for a firm license with life, health, and variable lines of authority.

B. The division, after reviewing the National Association of Insurance Commissioners' State Producer Licensing Database, determined FSC's application was incomplete for failure to respond affirmatively to the question regarding administrative actions taken against the firm by the states of Georgia and Illinois.

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2 C. On or about February 22, 2017, FSC amended its application and provided
3 copies of the Georgia and Illinois actions and copies of various Financial Industry Regulatory
4 Authority, Inc. (FINRA) actions in several states. FSC also provided a copy of an executed
5 Final Consent Order from the Georgia Office of Insurance and Fire Safety Fire Commissioner
6 (Georgia Order).

7
8 D. The Georgia Order revealed that FSC between January, 1978 and March, 2016
9 had been a party to, and the subject of, 21 securities license or registration-related
10 administrative actions involving its transaction of the business of securities.

11 E. Rather than deny FSC a license, the Georgia Office of Insurance and Fire
12 Safety Fire Commissioner entered into a Consent Order under which FSC was issued a resident
13 agency license, placed on probationary status for a period of twelve months, and subject to
14 certain terms of probation during the probationary period. FSC's Georgia license was issued to
15 the firm on or about February 9, 2017 and will expire on or about December 31, 2018.

16
17 F. AS 21.27.020 sets forth the general qualifications for licensure in this state.
18 AS 21.27.020(a) provides: "For the protection of the people of this state, the director may not
19 issue or renew a license except in compliance with this chapter and may not issue a license to a
20 person, or to be exercised by a person, found by the director to be untrustworthy, incompetent,
21 or who has not established to the satisfaction of the director that the person is qualified under
22 this chapter."

23
24 G. Further, under AS 21.27.020(b)(4) and (6), and 21.27.410(a)(1) and (8), the
25 director may deny issuance of or not renew a license or may suspend or revoke a license issued
26 under this chapter.

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2 II. TERMS OF AGREEMENT

3 1. FSC agrees the conduct for which the firm was subject to administrative actions
4 in other jurisdictions is sufficient to allow the director to deny issuance of a license to FSC
5 under AS 21.27.410(a)(8).

6
7 2. FSC agrees to the issuance of a conditional license in this state under the
8 following conditions:

9 i. All terms of FSC's current probationary Georgia license are to be completed
10 successfully. After the successful completion of FSC's Georgia probation, an unrestricted
11 Alaska license may be issued.

12
13 ii. The conditional license is predicated on FSC not violating any laws. If FSC
14 violates any laws or regulations, FSC shall notify the division within 10 days of being charged
15 with or receiving notification of the violation.

16
17 iii. If FSC violates the Alaska insurance laws and regulations while issued a
18 conditional license, the division will take administrative action to suspend or revoke the license
19 issued to the firm and FSC shall be subject to any and all sanctions authorized by law,
20 including the imposition of additional penalties regarding such violation.

21 3. FSC waives its right to a hearing and enters into this agreement voluntarily with
22 full knowledge of all rights FSC may have in this matter.

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24 4. FSC understands that this agreement is not binding on the parties unless and
25 until the director signs the order adopting this agreement.

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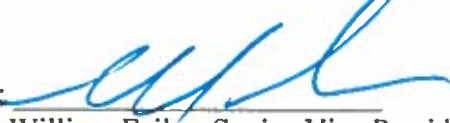
DATED: 4/20/17

DIVISION OF INSURANCE

By: 
Chris Murray
Program Coordinator

DATED: 4/17/2017

FSC SECURITIES CORPORATION

By: 
William Feiler, Senior Vice President
Designated Responsible Licensed Producer

Approved as to form and content:

DATED: 4/25/17

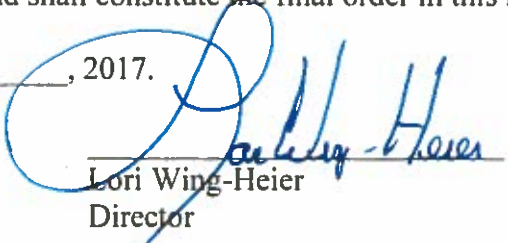
JAHNA LINDEMUTH
ATTORNEY GENERAL

By: 
Erin K. Egan
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 28th day of April, 2017.


Lori Wing-Heier
Director