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STATE OF ALASKA

DEPARTMENT OF COMMERCE, COMMUNITY, AND ECONOMIC DEVELOPMENT

DIVISION OF INSURANCE

In the Matter of:)
)
VILLAGE INSURANCE AGENCY, INC. and)
PHILLIP D. PEARSALL, Compliance Officer,)
)
Licensees.)
_____)

Case No. D 07-06

STIPULATED AGREEMENT AND ORDER

The State of Alaska, Department of Commerce, Community, and Economic Development, Division of Insurance (division) and Village Insurance Agency, Inc. (VIA), and Phillip D. Pearsall (Mr. Pearsall) Compliance Officer, the licensees in this case, stipulate and agree that the unlicensed activity that occurred during the time licenses #38266 and #38267 were in lapse status is resolved as follows:

1. VIA and Mr. Pearsall were first issued the above-referenced licenses in 2004.
2. On or about April 20, 2006, the division notified VIA that the firm license had lapsed for failure to renew. Mr. Pearsall was also notified that his license would lapse because the firm's license had lapsed unless the firm license was reinstated or he fulfilled certain requirements within 30 days. Both notifications stated that a person may not act as or represent to be an insurance producer during the time a license has lapsed, and that penalties are provided for transacting business without a valid license. When Mr. Pearsall tried to renew his license, the division notified that him that his license could not be renewed until the firm license was reactivated. He was again reminded that they should not transact insurance

1 business until both licenses were reinstated and that they would be subject to penalties for any
2 unlicensed activity. Mr. Pearsall's and the firm license were reinstated effective April 5, 2007.

3 3. As required by the division, a notarized statement was submitted listing
4 whether business had been transacted while the licenses were in lapse status. The statement
5 indicated that unlicensed activity had occurred between April 20, 2006 and March 16, 2007.

6 4. Because of the lapsed license history of VIA and Mr. Pearsall and the
7 repeated warnings against unlicensed activity, the division considers the policies written before
8 the licenses were reinstated a wilful violation of the Alaska insurance licensing laws.

9 5. VIA and Mr. Pearsall agree to pay a civil penalty under AS 21.27.440 of
10 \$1,152.85, which equals the amount of commission earned for the unlicensed activity that
11 occurred between April 20, 2006 and March 16, 2007 and an additional penalty of \$10,000 for
12 wilfully violating the insurance code with \$8,000 suspended. The \$1,152.85 and the \$2,000
13 unsuspended penalty are payable within six months from the date VIA and Mr. Pearsall are
14 notified that the director has signed the order approving this agreement.

15 6. In the event VIA or Mr. Pearsall violates the insurance code or applicable
16 regulations during the next two years, the suspended portion of the penalty referenced in
17 paragraph 5 will be reinstated. The firm and Mr. Pearsall also will be subject to any and all
18 sanctions authorized by the insurance code including imposition of additional fines or penalties.

19 7. By signing this agreement, VIA and Mr. Pearsall understand and agree
20 that any failure to comply with the conditions of this agreement will be grounds to revoke,
21 suspend, or not renew Alaska insurance licenses #38266 and #38267.

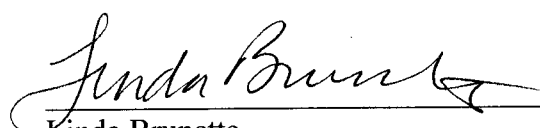
22 8. VIA and Mr. Pearsall understand that this agreement is not binding on
23 the parties unless and until the director signs the order approving the agreement.
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STATE OF ALASKA
DEPARTMENT OF COMMERCE, COMMUNITY, AND ECONOMIC DEVELOPMENT
DIVISION OF INSURANCE
550 WEST SEVENTH AVENUE, SUITE 1560
ANCHORAGE, ALASKA 99501-3567
PHONE: (907) 269-7900
FAX: (907) 269-7910
TDD: (907) 465-5437

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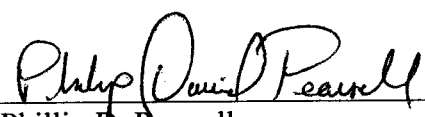
DATED: 6/8/07

DIVISION OF INSURANCE

By: 
Linda Brunette
Program Coordinator

DATED: 5/18/07

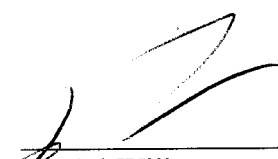
VILLAGE INSURANCE AGENCY, INC.

By: 
Phillip D. Pearsall
Compliance Officer

Approved as to form and content:

DATED: 6/11/07

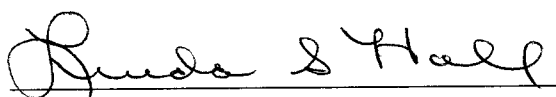
TALIS J. COLBERG
ATTORNEY GENERAL

By: 
Daniel Wilkerson
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 June, 2007 at Anchorage, Alaska.


Linda S. Hall
Director of Insurance