

STATE OF ALASKA
DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT
DIVISION OF INSURANCE
ROBERT B. ATWOOD BUILDING
550 WEST SEVENTH AVENUE, SUITE 1560
ANCHORAGE, ALASKA 99501-3567
PHONE: (907) 269-7300
FAX: (907) 269-7910
TDD: (907) 465-5437

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

In re:)
)
APPLICATION FOR LICENSE RENEWAL of)
MICHAEL SEGAL,)
Near North Insurance Brokerage, Inc.)
875 North Michigan Avenue, #1900)
Chicago, IL 60611.)
_____)

Case No. LD 03-04

STATEMENT OF ISSUES

Linda S. Hall, Director, Division of Insurance (division), Department of
Community and Economic Development, State of Alaska, states:

1. On or about October 14, 2002, the division received from Michael Segal
(Mr. Segal) an application for the renewal of his individual in a firm insurance producer and
surplus lines broker license number 12772. His firm is Near North Insurance Brokerage, Inc.,
for which he is also listed as the compliance officer.

2. Directly above the signature line on the application that Mr. Segal signed
on October 9, 2002 is the following statement.

I declare that I am in full compliance with the Alaska Insurance statutes and
regulations applicable to my license. I further certify that if, within the last
license period, I have received a suspension, revocation, or any disciplinary
action against my license by any other jurisdiction or charged or convicted of a
misdemeanor or felony, a complete explanation is ATTACHED. I HEREBY
AUTHORIZE AND CONSENT TO ANY INVESTIGATION UNDER
AS 21.27.040 THAT THE ALASKA DIVISION OF INSURANCE DEEMS
APPROPRIATE.

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2 No explanation regarding any disciplinary action or any charges was attached to Mr. Segal's
3 renewal application.

4 3. In reviewing records of disciplinary action in other jurisdictions, the
5 following actions were revealed:

6 a. Effective July 17, 2002, California issued an Order of Immediate
7 Suspension of Mr. Segal's non-resident insurance licenses. The reason listed for California's
8 action was "criminal proceedings."

9 b. Effective July 17, 2001, Iowa fined Mr. Segal \$200 for his failure to
10 meet continuing education requirements.

11 c. Effective November 13, 2002, Kentucky suspended Mr. Segal's non-
12 resident license, stating the reason for its action as "demonstrated lack of fitness or
13 trustworthiness, criminal proceedings." Although this action occurred after Mr. Segal
14 submitted his license renewal to the division, under AS 21.27.025 Mr. Segal is required to
15 notify the division of this administrative action.

16 4. The division also became aware that a federal indictment was issued
17 against Mr. Segal in Illinois on February 14, 2002 for a violation of Title 18, U.S.C., Sections
18 1033(a)(1) and 2. No information regarding or explanation of this criminal charge was given
19 by Mr. Segal with his license renewal application.

20 5. Mr. Segal's failure to provide the division with information regarding the
21 administrative actions and the criminal charges against him, the fact that his licenses have been
22 suspended in other jurisdictions, and the fact that he signed a statement declaring that he was in
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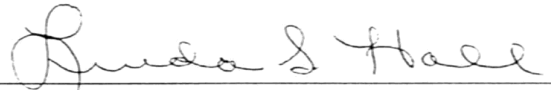
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compliance with Alaska insurance law when he was not demonstrate untrustworthiness and are bases to deny renewal of a license under AS 21.27.025(c), and 21.27.410(a)(2), (8), and (14).

6. Pursuant to AS 21.27.025(c), and 21.27.410(a)(2), (8) and (14), the application of Michael Segal for renewal of his individual in a firm insurance producer and surplus lines broker license number 12772 is hereby DENIED.

DATED this 4th day of April, 2003.



Linda S. Hall
Director
Division of Insurance