

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

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26

STATE OF ALASKA

DEPARTMENT OF COMMERCE, COMMUNITY, & ECONOMIC DEVELOPMENT

DIVISION OF INSURANCE

In re:)
)
APPLICATION FOR LICENSE)
OF JAMES P. PETRIK,)
9307 Tanadak Circle)
Eagle River, AK 99577.)
_____)

Case No. LD 09-02

In re:)
)
APPLICATION FOR WAIVER)
UNDER 18 U.S.C. 1033(e)(2))
OF JAMES P. PETRIK.)
_____)

Case No. W 09-02

STIPULATED AGREEMENT AND ORDER

The Division of Insurance (division) and James P. Petrik (Mr. Petrik) stipulate and agree to the following:

I. BACKGROUND

A. On or about May 8, 2007, the division received an application for an individual working in a firm insurance producer license for credit lines authority from Mr. Petrik. License #62985 was issued to Mr. Petrik effective June 13, 2007.

B. As part of the application process, Mr. Petrik had to provide fingerprint cards for the division to conduct a criminal background check. The background check revealed

1 that Mr. Petrik had a criminal history, although none of this history was disclosed on his license
2 application.

3 C. The division contacted Mr. Petrik about the criminal history and
4 separately sent him the renewal application for his license, which was due to expire July 10,
5 2008 and which subsequently lapsed on July 18, 2008. On October 3, 2008, the division
6 received Mr. Petrik's renewal application, although incomplete, and a copy of an email that he
7 had sent to the division on October 20, 2007. The division has no record of receiving the email
8 in 2007 although the copy Mr. Petrik submitted in 2008 indicated that it was sent.

9
10 D. In the email, Mr. Petrik stated that "When I moved to Alaska in 1986 my
11 attorney assured me that ALL charges were dropped and taken care of." He also mentioned that he
12 had had a drug problem but that he has been clean and sober for 21 years.

13 E. In May 2009 Mr. Petrik submitted an application for an individual working in
14 firm for credit lines authority. The division reviewed the results of the background check and the
15 information subsequently Mr. Petrik provided.

16 F. Because Mr. Petrik had a felony conviction for a crime of dishonesty,
17 under 18 U.S.C. 1033(e)(2) he is required to obtain the director's express consent to work in the
18 business of insurance. By application submitted in July and August 2009, Mr. Petrik requested
19 the director's consent to work in the business of insurance, as required under 18 U.S.C.
20 1033(e)(2).

21
22 G. The director has fully reviewed Mr. Petrik's file, including the
23 circumstances of his convictions and his efforts to rehabilitate himself.

24 II. TERMS OF AGREEMENT

25 1. Under separate letter, the director will grant written consent allowing Mr.
26 Petrik to engage in the business of insurance under 18 U.S.C. 1033(e)(2), which is conditioned

1 on Mr. Petrik complying with the terms of this agreement, not violating the insurance code or
2 regulations, and not committing any crimes in the future involving dishonesty or breach of trust
3 or that otherwise bear on his trustworthiness or competency to hold an insurance license.

4
5 2. The division will reinstate Mr. Petrik's individual working in a firm
6 insurance producer license for credit lines authority subject to the following conditions:

7 a. Within six months of the date the director signs the order
8 approving this agreement, Mr. Petrik will successfully complete a course in professional ethics
9 in insurance that has been approved in advance by the director or her designee and provide
10 proof of that completion to the division.

11 b. Mr. Petrik agrees that he will apply for **only** a limited lines
12 license for credit authority and that the division will not issue him a license for any other class
13 of authority

14 c. Should Mr. Petrik attempt to change his place of employment at
15 any time within three years from the issuance of his license, he must first provide each new
16 employer with a copy of this agreement and the written 1033 consent, and then provide proof
17 that this has been done to the division.

18 d. Mr. Petrik may not be licensed as a compliance officer of a firm
19 or an individual with no firm affiliation for a period of five years from the reinstatement of his
20 license. Although unlikely, it is possible to apply for a limited lines license for credit authority
21 as an individual. After the five-year period, should Mr. Petrik apply for such a license, the
22 division would require that he indicate how he would handle premium funds in conjunction
23 with such a license.

24
25 e. Mr. Petrik agrees to pay a civil penalty under AS 21.27.440(a) of
26 \$500, for his failure to disclose the criminal conviction information on his initial application,

1 with \$250 suspended. The unsuspended portion of the penalty is payable at the time Mr. Petrik
2 is notified that the director has signed the order approving this agreement.

3 f. In the event Mr. Petrik violates the insurance code or applicable
4 regulations during the next three years, the suspended portion of the penalty referenced in
5 paragraph 2e will be reinstated. Mr. Petrik also will be subject to any and all sanctions
6 authorized by the insurance code including imposition of additional fines or penalties.
7

8 3. By signing this agreement, Mr. Petrik understands and agrees that any
9 failure to comply with the terms of this agreement may be grounds to revoke, suspend, or non-
10 renew Mr. Petrik's Alaska insurance license no. 62985.

11 4. Mr. Petrik understands that this agreement is not binding on the parties
12 unless and until the director signs the order approving the agreement.

13
14 DATED: 11/3/9

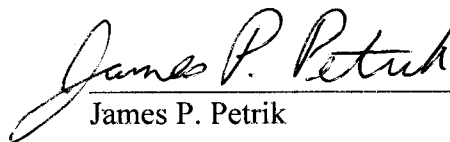
DIVISION OF INSURANCE

15 By:



Linda Brunette
Program Coordinator

16
17
18 DATED: 10/21/09



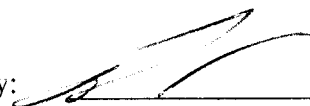
James P. Petrik

19 Approved as to form and content:

20
21
22 DATED: 10/23/09

DANIEL S. SULLIVAN
ATTORNEY GENERAL

23
24
25 By:



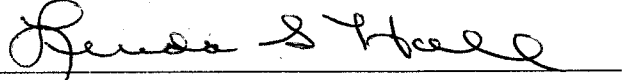
Daniel Wilkerson
Assistant Attorney General

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

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 5th day of November, 2009.



Linda S. Hall
Director