

1 STATE OF ALASKA

2 DEPARTMENT OF COMMERCE AND ECONOMIC DEVELOPMENT

3 DIVISION OF INSURANCE

4
5 In re:)
6 APPLICATION OF BERTHOLON-)
7 ROWLAND CORP., d/b/a)
8 BERTHOLON-ROWLAND)
9 INSURANCE BROKERS,)
10 FOR REGISTRATION AS)
11 NONRESIDENT THIRD)
12 PARTY ADMINISTRATOR.)

13 Case No. LD95-02

14 STATEMENT OF ISSUES

15 Marianne K. Burke, Director, Division of Insurance, Department of
16 Commerce and Economic Development, State of Alaska, states as follows:

17 1. On or about January 23, 1995, a third-party administrator
18 registration application was received by the Division of Insurance (Division)
19 from Bertholon-Rowland Corp., d/b/a Bertholon-Rowland Insurance Brokers
20 (Bertholon-Rowland).

21 2. AS 21.27.640(b)(5)(D) requires that an applicant for registration
22 as a third-party administrator provide:

23
24 certified financial statements for the prior two years prepared by
25 an independent certified public accountant that establish that the
26 applicant is solvent, that the applicant's system of accounting,
internal control, and procedure is operating effectively to provide
reasonable assurance that money is promptly accounted for and
paid to the person entitled to the money, and any other

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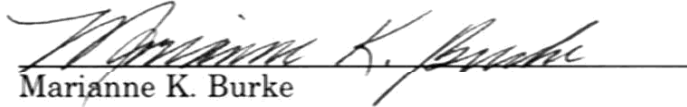
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information that the director may require to review the current financial condition of the applicant[.] (emphasis added)

3. Included with the application were the certified financial statements required under AS 21.27.640(b)(5)(D). A review of these statements by Dean George, one of the Division's financial examiners, reveals that Bertholon-Rowland is not solvent. The financial statements show a stock holder's deficit of \$2,369,483 as of June 30, 1994 and \$3,363,660 as of June 30, 1993.

4. Pursuant to AS 21.27.640(a), the application of Bertholon-Rowland Corp., d/b/a Bertholon-Rowland Insurance Brokers, for registration as a third-party administrator is hereby denied unless and until the requirements under AS 21.27.640(b)(5)(D) are met.

DATED this 18th day of August, 1995 at Anchorage, Alaska.


Marianne K. Burke
Director
Division of Insurance