

STATE OF ALASKA

DEPARTMENT OF COMMERCE & ECONOMIC DEVELOPMENT

DIVISION OF INSURANCE

In re: )  
 )  
 APPLICATION FOR LICENSE )  
 OF MICHAEL O. BEAUMASTER, )  
 1220 East 16th Avenue, #11 )  
 Anchorage, AK 99501. )  
 \_\_\_\_\_ )

Case No. LD98-01

STATEMENT OF ISSUES

Marianne K. Burke, Director, Division of Insurance (division),  
Department of Commerce and Economic Development, State of Alaska, states:

1. On or about April 10, 1998, the division received an application for an insurance producer license from Michael O. Beaumaster (Beaumaster).
2. Question 11(e) of the application asks "Have you ever been convicted of a misdemeanor or felony in this or any other state or country, or pleaded no contest or nolo contendere to any indictment or complaint for a crime or offense, or received a suspended imposition of sentence and/or been placed on probation?" At the end of this question is the following sentence: "If you have answered "yes" to **any** of these questions, you must submit a **notarized** statement detailing: 1. date of occurrence; 2. the name and address of the court; and 3. the circumstances."
3. Because Beaumaster answered "yes" to question 11(e) on the application, he submitted a notarized statement dated February 17, 1998.

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(Exhibit A attached.) This statement revealed that, under a plea of nolo contendere, he had served eight years in prison for, as he stated, "I had an affair with my wife's teenage niece, who was under the age of consent."

4. In conducting a routine investigation, a division investigator learned the following details regarding the conviction that were not disclosed by Beaumaster in his notarized statement but that were responsive to question 11(e) of the license application.

a. On May 3, 1989, a judgment and order of commitment/probation was entered against Beaumaster upon his plea of no contest. In this order he was convicted of two counts of sexual abuse of a minor in the first degree for offenses that encompassed the periods of 10/17/83 thru 7/26/86 and 7/28/86 thru 10/87 and of two counts of sexual abuse of a minor in the second degree for offenses occurring 10/23/83 thru 7/26/86 and 5/87.

b. For these offenses, he was sentenced to prison for (i) eight years presumptive; (ii) eight years presumptive with four years suspended; (iii) four years; and (iv) four years, with (i), (iii), and (iv) to run concurrently and (ii) to run consecutively with (i), (iii), and (iv). He was also given five years probation to be completed after his term of incarceration.

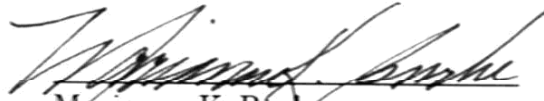
5. Beaumaster's felony convictions are a basis to deny a license under AS 21.27.410(a)(7). His failure to disclose the full extent and nature of his felony convictions and related sentencing constitutes wilful misrepresentation, which is another basis to deny a license under AS 21.27.410(a)(3). Beaumaster's

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failure to make full disclosure and his felony convictions also demonstrate,  
separately and in combination, untrustworthy behavior that precludes issuance of  
a license under AS 21.27.020(a).

6. Pursuant to AS 21.27.020(a), 21.27.020(b)(4) and (6), and  
21.27.410(a)(3) and (7), the application of Michael O. Beaumaster for an insurance  
producer license is hereby DENIED.

DATED this 2nd day of June, 1998.

  
Marianne K. Burke  
Director  
Division of Insurance

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