

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) 269-7900
FAX: (907) 269-7910
TDD: (907) 485-5437

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

In re:)
)
APPLICATION FOR LICENSE)
OF ROSEANNE M. LEYDON,)
3300 West Dimond Blvd.)
Anchorage, AK 99515.)
_____)

Case No. LD 99-01

In re:)
)
APPLICATION FOR WAIVER)
UNDER 18 U.S.C. 1033(e)(2))
OF ROSEANNE M. LEYDON.)
_____)

Case No. W 00-01

ORDER

IT IS ORDERED that any further requirements imposed on Roseanne M. Leydon under Paragraph 3 of the Terms of Agreement in the Stipulated Agreement and Order signed by the director on April 6, 2000 are HEREBY WAIVED.

DATED this 31st day of January, 2003.



Robert A. Lohr
Director

STATE OF ALASKA
DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT
DIVISION OF INSURANCE
3601 C STREET, SUITE 1324
ANCHORAGE, ALASKA 99503-7900
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STIPULATED AGREEMENT AND ORDER

The Division of Insurance (division), Roseanne M. Leydon, (Ms. Leydon), and John D. Wheatley, Jr. (Mr. Wheatley), stipulate and agree to the following:

I. BACKGROUND

A. On or about February 10, 1999, the division received an application for an insurance producer license from Ms. Leydon to transact property and casualty lines of insurance. She listed her employer as Montgomery & Collins Inc. of Alaska, which has subsequently changed its name to American E & S Insurance Brokers of CA, Inc. Previously, Ms. Leydon held insurance producer license no. 3254, which she canceled in August 1989.

1 B. In that application Mr. Wheatley, as principal and compliance officer of
2 the firm, signed the following statement: "By signature below, I certify that I understand that I
3 am responsible for the actions of this applicant."

4 C. Question 12(e) of the application asks "Have you ever been convicted of
5 a misdemeanor or felony in this or any other state or country, or pleaded no contest or nolo
6 contendere to any indictment or complaint for a crime or offense, or received a suspended
7 imposition of sentence and/or been placed on probation?" At the end of this question is the
8 following sentence: "If you have answered "yes" to **any** of these questions, you must submit a
9 **notarized** statement detailing: 1. date of occurrence; 2. the name and address of the court; and
10 3. the circumstances."
11

12 D. Because Ms. Leydon answered "yes" to question 12(e) on the
13 application, she submitted a notarized statement dated November 5, 1999. That statement
14 revealed that she pled guilty and was convicted of one count of money laundering.
15

16 E. The division obtained a copy of the Judgment in a Criminal Case,
17 Memorandum of Sentencing Hearing and Report of Statement of Reasons, and other documents
18 related to the conviction. The judgment, dated March 27, 1992, indicates that Ms. Leydon was
19 convicted of money laundering under 18 U.S.C. § 1957 (a)&2, which is a Class C felony. She
20 was sentenced to 36 months probation with 240 hours of community service and ordered to pay
21 a total of \$3,050 in fines and assessments. She has successfully completed her probation and
22 fully paid all fines and assessments.
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1 F. Because Ms. Leydon's felony conviction was for a crime of dishonesty,
2 under 18 U.S.C. 1033(e)(2) she is required to obtain the director's express consent to work in
3 the business of insurance.

4 G. Ms. Leydon's felony conviction would be a basis to deny a license under
5 AS 21.27.410(a)(7), and on June 29, 1999, the director issued a Statement of Issues to deny Ms.
6 Leydon's application for an insurance producer license.

7
8 H. Pursuant to AS 21.06.180, Ms. Leydon requested a hearing on the denial
9 of licensure. She also requested the director's consent to work in the business of insurance, as
10 required under 18 U.S.C. 1033(e)(2) and submitted information in support of her request.

11 I. By letter dated August 24, 1999, for purposes of 18 U.S.C. 1033(e)(2),
12 the director through his designee, Linda Brunette, granted interim conditional consent for Ms.
13 Leydon to work at the insurance firm performing tasks not requiring a license until such time as
14 the issues surrounding her license application were resolved.

15
16 J. The director has fully reviewed Ms. Leydon's file, including the
17 circumstances of her conviction and the proceedings of the imposition of sentence.

18
19 II. TERMS OF AGREEMENT

20 1. Under separate letter, the director will grant written consent allowing Ms.
21 Leydon to engage in the business of insurance under 18 U.S.C. 1033(e)(2), which is
22 conditioned on Ms. Leydon complying with the terms of this agreement, not violating the
23 insurance code or regulations, and not committing any crimes in the future involving
24 dishonesty or breach of trust or that otherwise bear on her trustworthiness or competency to
25 hold an insurance license.
26

1 2. Ms. Leydon, by signing this agreement, withdraws her request for
2 hearing dated July 19, 1999 and agrees that all matters that would have been addressed by such
3 a hearing are resolved by this agreement.

4 3. The division will reactivate insurance producer license no. 3254 for Ms.
5 Leydon as an individual working in a firm subject to the following conditions:

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

11 b. Ms. Leydon will submit to the division quarterly sworn
12 statements indicating that she has complied with the insurance code and applicable regulations.
13 The statements should be in a form similar to the attached Exhibit A and must also be signed
14 under oath by her supervisor, Mr. Wheatley, or his successor as principal/compliance officer of
15 the firm. If a new principal/compliance officer replaces Mr. Wheatley, Ms. Leydon agrees to
16 provide the director with a letter from the new person agreeing to assume the obligations of the
17 principal/compliance officer under this agreement. These conditions will remain in effect for
18 five years from the date the division reactivates Ms. Leydon's license. During that period of
19 time, Ms. Leydon will report directly to Mr. Wheatley or his successor.
20

21 c. Ms. Leydon may not be licensed as an individual producer or as a
22 principal or compliance officer of an insurance firm for a period of five years from the
23 reactivation of her license. At the end of the five-year period, Ms. Leydon may apply to the
24 division for an insurance license that gives her the authority to handle premium trust funds,
25
26

1 subject to certain conditions and reporting requirements to be established by the division,
2 including, but not limited to, providing to the division for approval a plan of operation to ensure
3 compliance with the insurance statutes and regulations, a description of internal accounting
4 procedures including premium trust account procedures and regular financial reporting
5 regarding the status of the premium trust account. The parties understand that this agreement
6 may be amended to enumerate such new conditions and reporting requirements.
7

8 d. Should Ms. Leydon plan to change her place of employment at
9 any time within five years from the reactivation of her license, she must provide each new
10 employer with a copy of this agreement, and she must first provide the director with a letter
11 from the compliance officer of her new employer agreeing to assume the obligations of the
12 principal/compliance officer under this agreement.
13

14 e. In addition to the notice requirement of AS 21.27.025, Ms.
15 Leydon will immediately notify the director of any criminal investigation involving her, of
16 which she is aware, or any criminal charges that have been filed against her.
17

18 4. By signing this agreement, Ms. Leydon and Mr. Wheatley understand
19 and agree that any failure to comply with the terms of this agreement may be grounds to
20 revoke, suspend, or non-renew Ms. Leydon's Alaska insurance license.
21

22 DATED: 3-30-00

DIVISION OF INSURANCE

24 By: Linda Brunette
25 Linda Brunette
26 Licensing Supervisor

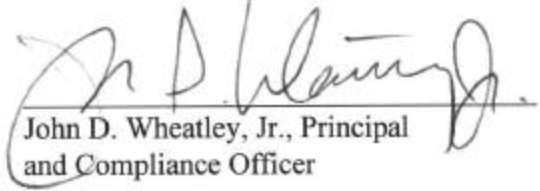
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DATED: 3/20/00


Roscenne M. Leydon

DATED: 3/20/00

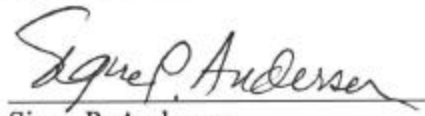
AMERICAN E & S INSURANCE
BROKERS OF CA, INC.

By: 
John D. Wheatley, Jr., Principal
and Compliance Officer

Approved as to form and content:

DATED: 4/6/00

BRUCE M. BOTELHO
ATTORNEY GENERAL

By: 
Signe P. Andersen
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 6th day of April, 2000.


Robert A. Lohr
Director

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Case No. LD99-01

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 February 10, 1999, the division received an application for an insurance producer license from Roseanne M. Leydon (Leydon) to transact property and casualty lines of insurance. Her employer is Montgomery & Collins Inc. of Alaska.

2. Question 12(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."

1 3. Because Leydon answered "yes" to question 12(e) on the application, she
2 submitted a notarized statement dated November 5, 1999. (Exhibit A attached.) This statement
3 revealed that she pled guilty and was convicted of one count of money laundering.

4 4. In conducting a routine investigation, a division investigator obtained a
5 copy of the Judgment in a Criminal Case, Memorandum of Sentencing Hearing and Report of
6 Statement of Reasons, and other documents related to the conviction. The judgment, dated
7 March 27, 1992, indicates that Leydon was convicted of money laundering under
8 U.S.C. §1957 (a)&2, which is a Class C felony. She was sentenced to 36 months probation with
9 240 hours of community service and ordered to pay a total of \$3,050 in fines and assessments.
10

11 5. Because Leydon's felony conviction involves a crime of dishonesty,
12 under 18 U.S.C. 1033 she is required to obtain the director's express consent to work in the
13 business of insurance, which to date she has not done although she is employed at the firm of
14 Montgomery & Collins Inc. of Alaska.
15

16 6. Leydon's felony conviction is a basis to deny a license under
17 AS 21.27.410(a)(7).
18

19 7. Pursuant to AS 21.27.020(a), 21.27.020(b)(4) and (6), and
20 21.27.410(a)(7), the application of Roseanne M. Leydon for an insurance producer license is
21 hereby DENIED.
22

23 DATED this 29th day of June, 1999.

24 
25 Marianne K. Burke
26 Director
Division of Insurance