

**STATE OF NORTH DAKOTA**  
**BEFORE THE INSURANCE COMMISSIONER**

<b>In the Matter of</b>	)	
	)	
<b>Julia Beth Lutgen,</b>	)	<b>ORDER REVOKING LICENSE</b>
<b>NPN 11066687,</b>	)	
<b>DOB 8/23/87,</b>	)	<b>FILE NO. AG-09-247</b>
	)	
<b>Respondent.</b>	)	

Insurance Commissioner Adam Hamm (hereinafter "Commissioner") has determined as follows:

1. The Commissioner has authority in this matter pursuant to N.D.C.C. § 26.1-26-15 which states, "License requirement - Character. An applicant for any license under this chapter must be deemed by the commissioner to be competent, trustworthy, financially responsible, and of good personal and business reputation."

2. Julia Beth Lutgen, NPN 11066687, DOB 8/23/87 (hereinafter "Respondent"), holds a North Dakota resident insurance producer license issued under N.D.C.C. ch. 26.1-26. Respondent is licensed for the lines of life and annuity, and accident and health.

3. Respondent applied for a North Dakota resident insurance producer license in June 2008. Respondent's application states, "1. Have you ever been convicted of, or are you currently charged with, committing a crime, whether or not adjudication was withheld? [Answer] Yes." In compliance with instructions on the application form, Respondent submitted a written and signed statement of the

circumstances of her “yes” answer. At that time Respondent had pleaded guilty to two charges of possession of drug paraphernalia stemming from two separate events. In her statement, Respondent expressed her intent to be a law abiding citizen.

4. With her application, Respondent submitted documentation from Cass County District Court of an Order dated January 16, 2008, deferring imposition of sentence in Case No. 09-08-K-00209/001. The Order deferring imposition of sentence states that Respondent pled guilty to the charge of possession of drug paraphernalia/MA, a Class A Misdemeanor, and that imposition of sentence was deferred until January 16, 2009. Respondent also submitted documentation from Cass County District Court of a Criminal Judgment dated March 19, 2008, in Case No. 09-08-K-00929/001. The Criminal Judgment states that Respondent pled guilty to the charge of possession of drug paraphernalia/MA, a Class A Misdemeanor, and that Respondent was placed on unsupervised probation for one year.

5. Based on the totality of Respondent’s application, the Commissioner determined that Respondent would be offered the opportunity to agree to a conditional license. On July 1, 2008, legal counsel for the Department wrote to Respondent (“License Agreement”) stating in part:

Please be advised the Department has recently concluded its evaluation of your application for a North Dakota resident insurance producer license. We have determined that a license will be issued to you with the following conditions:

1. The license for life and health will be issued with a probationary period to run one year from the date of issuance of the license....
3. Any further criminal charges or criminal convictions except for minor traffic offenses will

result in the Department automatically revoking your license....

If you are in agreement with the conditions laid out in this letter, please sign, have your signature notarized, and return the agreement to the Department. After receipt of this signed and notarized agreement, the Department will then issue a conditional license.

Respondent returned the letter with her notarized signature agreeing to the conditions set out in the License Agreement on July 7, 2008. The Commissioner issued a license to Respondent on July 7, 2008. A copy of the signed agreement is attached to this Order as Exhibit 1.

6. On April 21, 2009, Respondent entered a plea of guilty to the charge of possession of drug paraphernalia/MA, a Class A Misdemeanor in Cass County Case No. 09-08-K-04940/001. A Criminal Judgment was signed by the court on April 24, 2009, in which the Respondent was sentenced to one year in the Cass County Jail, with one year suspended, and placed on unsupervised probation for one year with conditions. A copy of the April 24, 2009, Criminal Judgment is attached to this Order as Exhibit 2.

7. The Commissioner learned of the April 2009 criminal conviction through a records check initiated by the Commissioner. Respondent has not informed the Commissioner of the April 2009 criminal conviction. N.D.C.C. § 26.1-26-45.1(2) states:

Within thirty days after a criminal conviction, an insurance producer shall report to the commissioner any criminal conviction of the insurance producer taken in any jurisdiction. The report must include a copy of the initial complaint, the order issued by the court, and any other relevant legal documents.

Pursuant to N.D.C.C. § 26.1-26-31, an insurance producer license “continues in force in perpetuity unless...(2) The licensee voluntarily consents to the suspension, revocation, or refusal of the license....” Respondent voluntarily consented to the revocation of her resident insurance producer license upon the occurrence of certain clearly described events.

NOW, THEREFORE, IT IS HEREBY ORDERED that: Respondent having agreed to revocation of her license upon conviction of a crime other than a minor traffic offense between July 7, 2008, and July 7, 2009; and Respondent having been convicted of a Class A misdemeanor on April 24, 2009; and Respondent having failed to notify the Commissioner of her criminal conviction in timely manner for good reasons and in accordance with the terms of the License Agreement signed by Respondent; Respondent’s North Dakota resident insurance producer license is hereby **REVOKED**.

This order is effective this 30<sup>th</sup> day of July, 2009.



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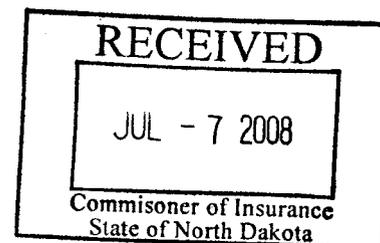
Adam Hamm  
Commissioner  
North Dakota Insurance Department  
600 East Boulevard Avenue, Dept. 401  
Bismarck, ND 58505  
(701) 328-2440



DEPARTMENT OF INSURANCE  
STATE OF NORTH DAKOTA

Adam W. Hamm  
Commissioner of Insurance

July 1, 2008



Ms. Julia Lutgen  
2601 14<sup>th</sup> Street South, #7  
Fargo, ND 58103

RE: Conditional License Agreement

Dear Ms. Lutgen:

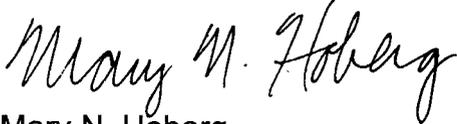
Please be advised the Department has recently concluded its evaluation of your application for a North Dakota resident insurance producer license. We have determined that a license will be issued to you with the following conditions:

1. The license for life and health will be issued with a probationary period to run one year from the date of issuance of the license. If, at the end of the probation period, there is no cause to terminate the license, a perpetual license will be issued.
2. You shall, during the time of your probation and thereafter, fully comply with all the laws of the state and lawful orders of the Commissioner of Insurance. Further, the Department can, during the probationary period, revoke, suspend, or take such further action as may be deemed necessary in the Commissioner's discretion against your license without notice of hearing or issuance of a complaint, if the Department receives a complaint from any source against you and after investigation of the merits of the complaint and after you have been afforded the opportunity to respond to the complaint in writing, and after review of other factual information necessary, the Commissioner concludes that in his opinion you have violated the laws of the State of North Dakota.
3. Any further criminal charges or criminal convictions except for minor traffic offenses will result in the Department automatically revoking your license.

Ms. Julie Lutgen  
July 1, 2008  
Page Two

If you are in agreement with the conditions laid out in this letter, please sign, have your signature notarized, and return the agreement to the Department. After receipt of this signed and notarized agreement, the Department will then issue a conditional license.

Sincerely,



Mary N. Hoberg  
Special Assistant Attorney General  
Legal Counsel  
N.D. Insurance Department

MNH/njb

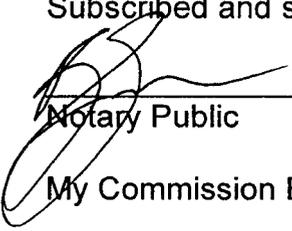
cc: Agent Licensing

I agree to the conditions set out in this License Agreement.

DATED this 3 day of July, 2008.

  
\_\_\_\_\_  
Julia Lutgen

Subscribed and sworn to before me this 3rd day of July, 2008.

  
\_\_\_\_\_  
Notary Public

My Commission Expires:

RYAN C JOHNSON  
Notary Public  
State of North Dakota  
My Commission Expires July 23, 2010

STATE OF NORTH DAKOTA  
COUNTY OF CASS

IN DISTRICT COURT  
EAST CENTRAL JUDICIAL DISTRICT

STATE OF NORTH DAKOTA  
Plaintiff

v.

JULIA BETH LUTGEN  
102 9TH ST S #9  
FARGO ND 58103

D.O.B. 8-23-87

Defendant

CRIMINAL JUDGMENT

Case No. 09-08-K-04940/001

On April 21, 2009, the State Of North Dakota represented by the Prosecuting Attorney, and the Defendant, appeared before the Court and the Defendant entered a plea of guilty to the charge of POSSESSION OF DRUG PARAPHERNALIA/MA, a Class A MISDEMEANOR, in violation of N.D.C.C. 19-03.4-03.

The Court's disposition of this matter is as follows:

- (X) The Defendant will pay CRIMINAL ADMINISTRATION FEE in the amount of \$200.00.
- (X) The Defendant will pay DEFENSE/FACILITY ADMIN FEE in the amount of \$100.00.
- (X) The Defendant will serve 1 year in the Cass County Jail, with 1 year of this sentence being suspended.

The Defendant is placed on unsupervised probation for a period of 1 year from the date of this CRIMINAL JUDGMENT. The conditions of probation are as follows:

- (X) REPORT TO RESTORE FOR A CHEMICAL DEPENDENCY EVALUATION AND FOLLOW ALL RECOMMENDATIONS  
CONTACT RESTORE WITHIN 24 HOURS  
BAIL APPLIED TO COSTS AND BALANCE REFUNDED TO THE BOND REMITTER
- (X) The Defendant will not commit another offense during the probationary period.

A violation of the rules or conditions may result in revocation of the defendant's probation, whereupon the court may impose the maximum penalty allowed by law.  
Dated this 24th day of April, 2009.

BY THE COURT:

*Georgia Dawson*

*copies provided*