

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

In the Matter of:)
MICHEAL S. FENNEL,)
Licensee.)

Case No. D 06-09

STIPULATED AGREEMENT AND ORDER

The Division of Insurance (division) and Micheal S. Fennell (Mr. Fennell), the licensee in this case, stipulate and agree to the following:

1. Mr. Fennell holds non-resident producer and surplus lines broker license number 34210.
2. In January 2004, the division notified Mr. Fennell that the purchasing groups he was using needed to be registered in Alaska. The purchasing groups, Worldwide Outfitter & Guides Association and International Special Events & Recreation Association, subsequently applied and were registered in this state. Both purchasing groups listed Mr. Fennell as their agent.
3. Since both purchasing groups use eligible surplus lines insurers, under AS 21.34.080, and 21.34.170 – 21.34.190, Mr. Fennell was required to submit monthly reports of surplus lines transactions and pay surplus lines taxes and filing fees on these transactions. Mr. Fennell failed to properly report the surplus lines transactions for the purchasing groups and underpaid the requisite taxes and fees.

STATE OF ALASKA
DEPARTMENT OF COMMERCE, COMMUNITY, AND ECONOMIC DEVELOPMENT
DIVISION OF INSURANCE
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4. Prior to these violations, to the division's knowledge, Mr. Fennell has not violated the insurance code.

5. Mr. Fennell agrees to pay the amount of \$8,302, which equals the unpaid .7 percent of premium taxes for the policies reported for the purchasing groups from the time they were registered until May 31, 2006, plus a civil penalty under AS 21.34.230 of \$1,000, for a total of \$9,302, with \$1,000 suspended. The unsuspended portion of the penalty is payable within three months from the date Mr. Fennell is notified that the director has signed the order approving this agreement.

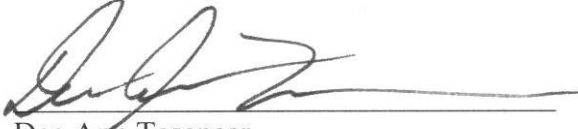
6. In the event Mr. Fennell violates the insurance code or applicable regulations during the next two years, the suspended portion of the fine referenced in paragraph 5 will be reinstated. Mr. Fennell also will be subject to any and all sanctions authorized by the insurance code including imposition of additional fines or penalties.

7. By signing this agreement, Mr. Fennell understands and agrees that any failure to comply with the conditions of this agreement will be grounds to revoke, suspend, or not renew Alaska insurance license number 34210.

8. Mr. Fennell understands that this agreement is not binding on the parties unless and until the director signs the order approving the agreement.

DATED: 9-28-2006

DIVISION OF INSURANCE

By: 
Dee Ann Teseneer
Financial Examiner

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DATED: 09-21-06


Micheal S. Fennell

Approved as to form and content:

DATED: 10/10/06


DAVID W. MARQUEZ
ATTORNEY GENERAL

By: 
Nathaniel B. Atwood
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 30th day of October, 2006.


Linda S. Hall
Director of Insurance