

STATE OF ALASKA  
DEPARTMENT OF COMMERCE, COMMUNITY, AND ECONOMIC DEVELOPMENT  
DIVISION OF INSURANCE  
550 WEST SEVENTH AVENUE, SUITE 1560  
ANCHORAGE, ALASKA 99501-3567  
PHONE: (907) 269-7900  
FAX: (907) 269-7910  
TDD: (907) 465-5437

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STATE OF ALASKA

DEPARTMENT OF COMMERCE, COMMUNITY, AND ECONOMIC DEVELOPMENT

DIVISION OF INSURANCE

In the Matter of: )  
)  
SWETT & CRAWFORD CORPORATION )  
)  
Licensee. )  
\_\_\_\_\_ )

Case No. D 10-14

STIPULATED AGREEMENT AND ORDER

The Division of Insurance (division) and Swett & Crawford Corporation (S&C),  
the licensee in this case, stipulate and agree to the following:

I. BACKGROUND

A. S&C holds surplus lines broker and firm insurance producer license  
#24992.

B. Under AS 21.06.130, on September 15 through 17, 2009, the division  
performed a limited and targeted premium tax audit of S&C covering the period of January 1,  
2007 through December 31, 2008. The audit was completed and a report and order approving  
the report were issued January 20, 2010 under number TA 09-03. Both were sent to S&C on  
January 20, 2010.

C. The audit report identified seven violations of AS 21.27 and AS 21.34  
that are within the control of S&C to correct in order to comply with Alaska insurance laws.

D. The violations of AS 21.27 and AS 21.34 subject S&C to civil penalties  
under AS 21.27.440 and AS 21.34.230.

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II. TERMS OF AGREEMENT

1. The division agrees that any future audit performed on S&C related hereto will cover calendar years starting with 2011 or later but not any year before 2011.

2. S&C agrees to pay a civil penalty under AS 21.27.440 and AS 21.34.230 in the amount of \$80,000, with \$40,000 suspended. The unsuspended penalty is payable within three months from the time that S&C is notified that the director has signed the order approving this agreement.

3. In the event S&C violates the Alaska insurance laws during the next two calendar years, the suspended portion of the penalty referenced in paragraph 2 will be reinstated. S&C also will be subject to any and all sanctions authorized by the insurance laws including imposition of additional penalties.

4. By signing this agreement, S&C understands and agrees that any failure to comply with the terms of this agreement may be grounds to revoke, suspend, or non-renew Alaska surplus lines broker and firm insurance producer license #24992.

5. S&C understands that this agreement is not binding on the parties unless and until the director signs the order approving the agreement.

DATED: 10/19/10

DIVISION OF INSURANCE

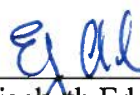
By: Rebecca Nesheim  
Rebecca Nesheim  
Tax Auditor



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DATED: 10/14/10

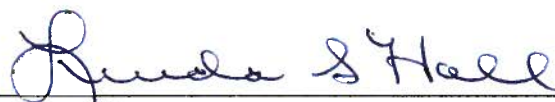
SWETT & CRAWFORD CORPORATION

By:   
Elizabeth Edelman  
Executive Vice President &  
General Counsel

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 25<sup>th</sup> day of October, 2010.

  
Linda S. Hall  
Director