

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

In the Matter of:)
Citadel Ins Services LC)
Licensee)

Case No. D 21-01

STIPULATED AGREEMENT AND ORDER

The Division of Insurance (division) and Citadel Ins Services LC, (Citadel), the licensee in this case, stipulate and agree to the following:

I. BACKGROUND

A. Citadel holds surplus lines broker license number 76645.

B. Under AS 21.06.120, the division performed a limited and targeted premium tax audit of Citadel's surplus lines business for the period July 1, 2018 through June 30, 2020. The audit was completed and a report and order approving the report were issued on January 21, 2021 under TA 20-05. Both were sent to Citadel on January 21, 2021.

C. Under two failed findings in the audit report, 34 violations of AS 21.34 were identified as being within the control of Citadel to correct in order to comply with Alaska insurance laws.

D. The 34 violations of AS 21.34 subjects Citadel to civil penalties under AS 21.34.230.

1 II. TERMS OF AGREEMENT

2 1. The division agrees that the next audit performed on Citadel related hereto will
3 exclude any quarter ending before July 1, 2021.

4 2. For the TA 20-05 audit violations, Citadel agrees to pay a civil penalty under AS
5 21.34,230 in the amount of \$20,000 with \$15,000 suspended. The unsuspended penalty of
6 \$5,000 is payable within three months of the date that Citadel is notified the director has signed
7 the order approving this agreement.

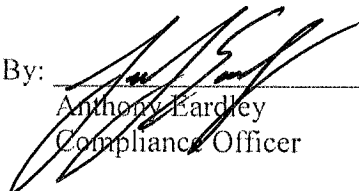
8 3. In the event Citadel is found to have violated the Alaska insurance laws during the
9 next audit resulting in failed findings, the suspended portion of the penalty referenced in
10 paragraph 2 will be reinstated. Citadel also will be subject to any and all sanctions authorized by
11 the insurance laws including imposing additional penalties.

12 4. By signing this agreement, Citadel understands and agrees that any failure to
13 comply with the terms of this agreement may be grounds to revoke, suspend, or non-renew
14 Alaska surplus lines broker license number 76645.

15 5. Citadel understands that this agreement is not binding on the parties unless and
16 until the director signs the order approving the agreement.

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18
19 DATED: 7-19-21

CITADEL INS SERVICES LC

20
21
22 By: 
23 Anthony Eardley
24 Compliance Officer

1 DATED: 3/17/21

DIVISION OF INSURANCE

2
3 By: Rebecca Nesheim
Rebecca Nesheim
Tax Auditor

4
5 Approved as to form and content:

6 DATED: 03/23/21

TREG R. TAYLOR
ATTORNEY GENERAL

7
8 By: Daniel Wilkerson
Daniel Wilkerson
Assistant Attorney General

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13 ORDER

14 IT IS ORDERED that this Stipulated Agreement and Order is adopted in full
15 resolution of the issues in this case, and shall constitute the final order in this matter.

16 DATED this 23 day of March, 2021.

17
18 Lori Wing-Heier
19 Lori Wing-Heier
Director