

STATE OF ALASKA
DEPARTMENT OF COMMERCE, COMMUNITY AND ECONOMIC
DEVELOPMENT
DIVISION OF INSURANCE
550 W. 7th AVENUE SUITE 1560
ANCHORAGE, ALASKA 99513-3567
PHONE: (907) 269-7900

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DEPARTMENT OF COMMERCE, COMMUNITY AND ECONOMIC
DEVELOPMENT

DIVISION OF INSURANCE
550 W. 7th AVENUE, SUITE 1560
ANCHORAGE, ALASKA 99501-3567

In the Matter of:)
)
EMPATHY CLAIMS INC)
License # 3000798953)
Insurance Producer)
)
)

Division of Insurance Case No. D 22-07

STIPULATED AGREEMENT AND ORDER

The State of Alaska Division of Insurance (division) and Empathy Claims Inc
(EMPATHY CLAIMS), the producer in this case, stipulate and agree to the following:

I. BACKGROUND

A. On February 26th, 2020, EMPATHY CLAIMS received their initial Insurance
Producer license with Casualty, and Property lines of authority, license #
3000798953, authorizing EMPATHY CLAIMS to transact insurance business in
Alaska. This license expired February 26th, 2022.

B. On February 26th, 2022, the license expired for failure to renew.

EMPATHY CLAIMS, INC
Stipulated Agreement and Order

- 1 C. On March 7th, 2022, the renewal application for EMPATHY CLAIMS was
2 received by the division.
3
4 D. On March 10th, 2022, the division provided EMPATHY CLAIMS with
5 instructions on how to reinstate the license. In order to reinstate, the division
6 required a Business Transaction Form and a delayed renewal fee for failing to
7 renew timely.
8
9 E. On April 21st, 2022, the division provided EMPATHY CLAIMS with a second
10 set of instructions on how to reinstate the license.
11
12 F. On June 8th, 2022, Ryan Reeves of EMPATHY CLAIMS provided a notarized
13 business transaction form to the division detailing two claims adjusted while the
14 license was expired. These two claims generated a total of \$9,407 in
15 compensation for EMPATHY CLAIMS.
16
17 G. On June 9th, 2022, a letter was issued to EMPATHY CLAIMS assessing a civil
18 penalty in the amount of \$9,407 with \$4,703 suspended. The unsuspended penalty
19 of \$4,703 is payable to the division.
20
21 H. On July 5th, 2022, EMPATHY CLAIMS responded to the Division's request to
22 move forward and enter into a formal agreement to pay the civil penalty of
23 \$4,703.

24 II. TERMS OF AGREEMENT
25

- 26 A. The two claims adjusted between 2/26/22 and 6/1/22, prior to the license issuance
27 date were in violation of AS 21.27.440 which subjects EMPATHY CLAIMS to
28 civil penalties. AS 21.27.440(a) provides that "in addition to any other penalties
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provided by law, a person that the director of the division (director) determines under AS 21.06.170-21.06.240 has violated the provisions of this chapter is subject to (1) a civil penalty equal to the compensation promised, paid, or to be paid, directly or indirectly, to a person in regard to each violation; (2) either a civil penalty of not more than \$10,000 for each violation or a civil penalty of not more than \$25,000 for each violation if the director determines that the person willfully violated the provisions of this chapter; and (3) denial, nonrenewal, suspension, or revocation of a license.” The director has the latitude to impose civil penalties against a person who has violated Alaska’s insurance laws

- B. EMPATHY CLAIMS agrees to pay the civil penalty under AS 21.27.440 in the amount of \$9,407 for activity that occurred prior to the issuance of the firm license with \$4,703 suspended.
- C. In the event EMPATHY CLAIMS violates Alaska insurance laws during the next two years, the suspended portion of the penalty referenced in paragraph one will be reinstated. EMPATHY CLAIMS will be subject to any and all sanctions authorized by the insurance laws including imposition of additional penalties regarding any such violation.
- D. By signing this agreement, EMPATHY CLAIMS understands and agrees that any failure to comply with the conditions of this agreement will be grounds to revoke, suspend, or not renew Alaska firm license 3000798953.
- E. EMPATHY CLAIMS understands that this agreement is not binding on the parties unless and until the director signs the order approving the agreement.

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DATED: 7/7/2022

Empathy Claims Inc

By: James Littleton

James Littleton

President

By: Ryan Reeves

Ryan Reeves

Chief Operating Officer

Approved as to form and content:

DATED: 07/08/2022

By: Daniel Wilkerson

Dan Wilkerson

Assistant Attorney General

ORDER

IT IS FURTHER ORDERED that this Stipulated Agreement and Order is adopted in full resolution of the civil liability issues between the parties to this agreement in these cases and shall constitute the final order in these matters.

DATED this 1 day of August, 2022.

Lori Wing-Heier

Lori K. Wing-Heier

Director, Division of Insurance