

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

STATE OF ALASKA
DEPARTMENT OF COMMERCE, COMMUNITY AND ECONOMIC
DEVELOPMENT

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

STATE OF ALASKA
DEPARTMENT OF COMMERCE, COMMUNITY AND ECONOMIC
DEVELOPMENT
DIVISION OF INSURANCE
550 W. 7th AVENUE, SUITE 1560
ANCHORAGE, ALASKA 99501-3567
PHONE: (907) 269-7900

In the Matter of:)
)
SOCALS INSURANCE BROKERS)
NPN# 9888328)
)
)
)
)

Division of Insurance Case No. SR 23-24

STIPULATED AGREEMENT AND ORDER

The State of Alaska Department of Commerce, Community, and Economic
Development, Division of Insurance (Division), **SOCALS BEST INSURANCE SERVICES,
INC. (SOCALS)** the producer in this case, stipulate and agree to the following:

I. **BACKGROUND**

A. On January 4th, 2023, **SOCALS** received their initial Insurance Producer license
with Property and Casualty lines of authority, firm license number 3002322291,
authorizing **SOCALS** to transact insurance business in Alaska. This license
expires in January of odd numbered years.

SOCALS BEST INSURANCE, INC.
Stipulated Agreement and Order
SR23-24

- 1 B. On June 16th, 2023, in a routine review the Division discovered that **SOCALS**
2 issued two (2) policies on January 3rd, 2023, before the license was issued. This
3 activity was not reported at initial licensure.
4
- 5 C. On June 26th, 2023, correspondence was issued to **SOCALS** requesting
6 clarification of business transacted without a valid license. The Division
7 requested the firm provide a complete Business Transaction Form and a response
8 by July 14th, 2023.
9
- 10 D. On June 29th, 2023, **SOCALS** provided the Division with a BTF indicating two
11 (2) policies on January 3rd, 2023, were sold without a valid license in the State of
12 Alaska. These policies totaled \$604.50 in commissions received without a valid
13 license.
14
- 15 E. On July 10th, 2023, a notice was issued to **SOCALS** indicating that the Division
16 will assess civil penalties for transacting insurance business without a valid
17 license.
18
- 19 F. On July 24th, 2023, a proposed agreement letter was issued to **SOCALS** assessing
20 a civil penalty in the amount of \$604 with \$302 suspended. The unsuspended
21 penalty of \$302 is payable to the Division. On the same day **SOCALS** accepted
22 the proposed agreement.
23

24 II. TERMS OF AGREEMENT

- 25 A. On January 3rd, 2023, two (2) total policies were transacted prior to the license
26 issuance of license on January 4th, 2023, and were in violation of Alaska Statute
27 (AS) 21.27.010 which subjects **SOCALS** to civil penalties. AS 21.27.440(a)
28

29 **SOCALS BEST INSURANCE, INC.**
Stipulated Agreement and Order
SR23-24

1 provides that “in addition to any other penalties provided by law, a person that the
2 director determines under AS 21.06.170-21.06.240 has violated the provisions of
3 this chapter is subject to (1) a civil penalty equal to the compensation promised,
4 paid, or to be paid, directly or indirectly, to a person in regard to each violation;
5 (2) either a civil penalty of not more than \$10,000 for each violation or a civil
6 penalty of not more than \$25,000 for each violation if the director determines that
7 the person willfully violated the provisions of this chapter; and (3) denial,
8 nonrenewal, suspension, or revocation of a license.” The director has the latitude
9 to impose civil penalties against a person who has violated Alaska’s insurance
10 laws.
11

12
13 B. **SOCALS** agrees to pay the civil penalty in the amount of \$604 for activity that
14 occurred prior to the issuance of the firm license with \$302 suspended. The
15 unsuspended portion of \$302 must be received by the Division within 30 days of
16 the signature finalizing this agreement.
17

18 C. In the event **SOCALS** is found to have violations of the Alaska insurance laws
19 during the next two years, the suspended portion of the penalty of \$302
20 referenced in section II. B. will be reinstated. **SOCALS** also will be subject to
21 any and all sanctions authorized by the insurance laws including imposition of
22 additional penalties regarding any such violation.
23

24 D. By signing this agreement, **SOCALS** understands and agrees that any failure to
25 comply with the terms of this agreement will be grounds to revoke, suspend, or
26 non-renew Alaska firm license number 3002322291.
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E. **SOCALS** understands that this agreement is not binding on the parties unless and until the director signs the order approving the agreement.

DATED: 10/3/2023

By: 
SOCALS BEST INSURANCE, INC.
Licensee

Approved as to form and content:

DATED: 11-2-2023

By: 
Susan Mitchell
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 14th day of November 2023.


LORI WING-HEIER, DIRECTOR
DIVISION OF INSURANCE

I hereby certify that, on the _____ day of _____, 2023, I mailed copies of the accusation to:

SOCALS BEST INSURANCE, INC.
5015 W AVENUE L14 NO 4
QUARTZ HILL, CALIFORNIA 93536
United States

SOCALS BEST INSURANCE, INC.
Stipulated Agreement and Order
SR23-24