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STATE OF ALASKA

DEPARTMENT OF COMMERCE, COMMUNITY, AND ECONOMIC DEVELOPMENT

DIVISION OF INSURANCE

In the Matter of:)
)
THE INSURANCE CENTER)
)
Licensee.)
_____)

Case No. D 12-05

STIPULATED AGREEMENT AND ORDER

The Division of Insurance (division) and The Insurance Center (TIC), the licensee in this case, stipulate and agree to the following:

I. BACKGROUND

A. TIC holds surplus lines broker and firm insurance producer license #7770.

B. Under AS 21.06.130, on January 9 and 10, 2012, the division performed a limited and targeted premium tax audit of TIC covering the period of January 1, 2009 through December 31, 2010. The audit was completed and a report and order approving the report were issued May 4, 2012 under number TA 12-01. Both were sent to TIC on May 8, 2012.

C. The audit report identified 69 violations of AS 21.34 that are within the control of TIC to correct in order to comply with Alaska insurance laws.

D. The violations of AS 21.34 subject TIC to civil penalties under AS 21.34.230.

II. TERMS OF AGREEMENT

1. The division agrees that any future audit performed on TIC related hereto

1 will cover calendar years starting with 2013 or later but not any year before 2013.

2 2. TIC agrees to pay a civil penalty under AS 21.34.230 in the amount of
3 \$30,000, with \$15,000 suspended. The unsuspended penalty is payable within three months
4 from the time that TIC is notified that the director has signed the order approving this
5 agreement.
6

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

11 4. By signing this agreement, TIC understands and agrees that any failure to
12 comply with the terms of this agreement may be grounds to revoke, suspend, or non-renew
13 Alaska surplus lines broker and firm insurance producer license #7770.

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

17 DATED: 6/8/12

DIVISION OF INSURANCE

18
19 By: Rebecca Nesheim
20 Rebecca Nesheim
21 Tax Auditor

22
23 DATED: 6/1/12

THE INSURANCE CENTER


24
25 By: Joshua W. Korver
26 Joshua W. Korver
Compliance Officer

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Approved as to form and content:

DATED: 6/19/12

MICHAEL C. GERAGHTY
ATTORNEY GENERAL


By:  FOR

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 19th day of June, 2012.



Bret S. Kolb
Director