

STATE OF ALASKA
DEPARTMENT OF COMMERCE, COMMUNITY AND ECONOMIC DEVELOPMENT
DIVISION OF INSURANCE
NINTH FLOOR STATE OFFICE BUILDING
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JUNEAU, ALASKA 99801
PHONE: (907) 465-2515 • FAX: (907) 465-3422
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STATE OF ALASKA
DEPARTMENT OF COMMERCE, COMMUNITY, AND ECONOMIC DEVELOPMENT
DIVISION OF INSURANCE

In the Matter of:)
)
LITHIA OF FAIRBANKS INC.)
)
Licensee)
_____)

Case No. D 16-09

STIPULATED AGREEMENT AND ORDER

The Division of Insurance (division) and Lithia of Fairbanks Inc., (Lithia), the licensee in this case, stipulate and agree that the activity that occurred during the time the firm had no designated compliance officer and the unlicensed activity that occurred during time the firm was not appropriately licensed is resolved as follows:

I. BACKGROUND

- A. Lithia holds credit insurance limited producer license number 8016.
- B. Lithia's designated compliance officer's affiliation with Lithia terminated effective March 16, 2015 when his license expired.
- C. From March 17, 2015 until July 14, 2016, Lithia did not have a designated compliance officer as required under Alaska law.
- D. On or about May 2, 2016, the division sent Lithia a notice to remind the firm to renew its license.

Stipulated Agreement and Order
Lithia of Fairbanks Inc.
Case No. D 16-09

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E. On or about July 5, 2016, the division notified Lithia that its license for credit insurance limited producer authority lapsed for failure to renew.

F. As part of the filing requirements to obtain its license, Lithia provided a notarized amended statement to the division indicating whether any business had been transacted while the firm did not have a designated compliance officer and was not appropriately licensed. This statement indicated that 102 policies were written between March 17, 2015 and July 14, 2016 with \$4,320.19 earned in compensation. These transactions subject Lithia to civil penalties under AS 21.27.440.

II. TERMS OF AGREEMENT

1. Lithia agrees to pay a civil penalty under AS 21.27.440 in the amount of \$4,320.19 for the unlicensed activity that occurred between March 17, 2015 and July 14, 2016, with \$1,820.19 suspended. The unsuspended penalty of \$2,500.00 is payable at the time Lithia has been notified that the director has signed the order approving this agreement.

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

3. By signing this agreement, Lithia understands and agrees that any failure to comply with the conditions of this agreement will be grounds to revoke, suspend, or not renew Alaska credit insurance limited producer license number 8016.

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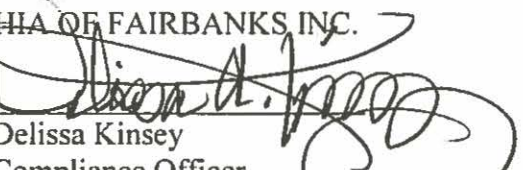
4. Lithia understands that this agreement is not binding on the parties unless and until the director signs the order approving the agreement.

DATED: 11/8/16

DIVISION OF INSURANCE

By: 
Chris Murray
Program Coordinator


DATED: _____

LITHIA OF FAIRBANKS INC.
By: 
Delissa Kinsey
Compliance Officer

Approved as to form and content:

DATED: 11/17/16

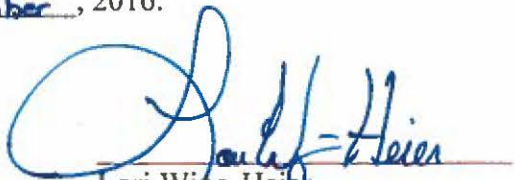
JAHNA LINDEMUTH
ATTORNEY GENERAL

By: 
Erin Egan
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 13th day of December, 2016.


Lori Wing-Heier
Director