

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26

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

In the Matter of:)
)
MIKE DEVINE INSURANCE AGENCY)
)
Licensee)
_____)

Case No. D 16-14

STIPULATED AGREEMENT AND ORDER

The Division of Insurance (division) and Mike Devine Insurance Agency, (Devine), the licensee in this case, stipulate and agree that the unlawful rebating activity that occurred from June, 2008 to June 23, 2016 is resolved as follows:

I. BACKGROUND

A. Devine holds producer license number 70622.

B. On or about October 4, 2016, the division received a report that Devine was giving out \$5.00 gift cards to policyholders at the time of policy renewal.

C. On or about November 3, 2016, the division notified Devine that Devine's rebating activity may be in violation of Alaska's insurance laws. The division requested Devine to provide a statement explaining in detail Devine's practice or procedures through which Devine was issuing the gift cards as well as how long this practice had been occurring.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26

D. On or about November 8, 2016, Devine responded to the division's inquiry indicating Devine, at a policyholder's first renewal, had been giving out coffee cards since June, 2008 as a "thank-you for your business" but Devine had discontinued this practice as of June 23, 2016. This practice of giving out coffee cards to policyholders constitutes unlawful rebating activity under AS 21.36.120 and subjects Devine to civil penalties under AS 21.36.910.

II. TERMS OF AGREEMENT

1. For the AS 21.36.120 violations, Devine waives its right to a hearing and agrees to pay a civil penalty under AS 21.36.910 in the amount of \$750.00 for the unlawful rebating activity that occurred between June, 2008 and June 23, 2016 with \$250.00 suspended. The unsuspended penalty of \$500.00 is payable at the time Devine has been notified that the director has signed the order approving this agreement.

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

3. By signing this agreement, Devine 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 70622.

4. Devine understands that this agreement is not binding on the parties unless and until

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26

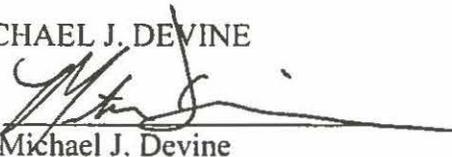
the director signs the order approving the agreement.

DATED: 1/17/17

DIVISION OF INSURANCE

By: 
Chris Murray
Program Coordinator

DATED: 1/12/2017

MICHAEL J. DEVINE
By: 
Michael J. Devine

Approved as to form and content:

DATED: 1/23/17

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 25th day of January, 2017.


Lori Wing-Heier
Director