

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

In the Matter of:)
)
PARKER, SMITH & FEEK, INC.)
)
Premium Tax Audit TA 18-02) OAH Case No. 18-1226-INS
) Case No. H 19-01

STIPULATED AGREEMENT AND ORDER

The Division of Insurance (division) and Parker, Smith & Feek, Inc. (PSF), the licensee in this case, stipulate and agree to the following:

I. BACKGROUND

- A. PSF holds surplus lines broker and firm insurance producer license number 7868.
- B. Under AS 21.06.120, the division performed a limited and targeted premium tax audit of PSF's surplus lines business for the years January 1, 2016 through December 31, 2017. The audit was completed and a report and order approving the report were issued on June 29, 2018 under TA 18-02. Both were sent to PSF on June 29, 2018.
- C. Under one finding in the audit report, one violation of AS 21.34 was identified that is within the control of PSF to correct in order to comply with Alaska insurance laws.
- D. The violation of AS 21.34 subjects PSF to a civil penalty under AS 21.34.230.
- E. The violation of AS 21.34 had been addressed in all prior audits. This was one late tax/fee payment.
- F. Due to this violation having been found during the subsequent audit after the Stipulated Agreement and Order D 15-04 entered into between the division and PSF was

Stipulated Agreement and Order
Parker, Smith & Feek, Inc.

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STATE OF ALASKA
DEPARTMENT OF COMMERCE, COMMUNITY AND ECONOMIC DEVELOPMENT
DIVISION OF INSURANCE
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IF YOU NEED HEARING ASSISTANCE, PLEASE CALL ALASKA RELAY AT 711

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signed, the previously suspended civil penalty of \$15,000 in that Stipulated Agreement and Order is now subject to reinstatement.

II. TERMS OF AGREEMENT

1. For the TA 18-02 audit violation, PSF agrees to pay a civil penalty under AS 21.34.230 in the amount of \$10,000. The penalty of \$10,000 is payable within three months from the time PSF is notified that the director has signed the order approving this agreement.

2. For the reinstated penalty under the Stipulated Agreement and Order D 15-04, PSF agrees to pay \$15,000 within three months from the time PSF is notified that the director has signed the order approving this agreement.

3. By signing this agreement, PSF understands and agrees that any failure to comply with the terms of this agreement may be grounds to revoke, suspend, or non-renew Alaska surplus lines broker and firm insurance producer license number 7868.

4. PSF 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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By: Rebecca Nesheim
Rebecca Nesheim
Tax Auditor

DATED: 1/15/19

PARKER, SMITH & FEEK, INC.

By: Jana Smith
Jana Smith
Principal, Vice President

Approved as to form and content:

DATED: 1/17/19

KEVIN G. CLARKSON
ATTORNEY GENERAL

By: Daniel Wilkerson
Daniel Wilkerson
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 17th day of January, 2019.

Lori Wing-Heier
Lori Wing-Heier
Director