

STATE OF ALASKA
DEPARTMENT OF COMMERCE, COMMUNITY AND ECONOMIC DEVELOPMENT
DIVISION OF INSURANCE
NINTH FLOOR STATE OFFICE BUILDING
333 WILLOUGHBY AVENUE
JUNEAU, ALASKA 99801
PHONE: (907) 465-2515 • FAX: (907) 465-3422
IF YOU NEED HEARING ASSISTANCE, PLEASE CALL ALASKA RELAY AT 711

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

In the Matter of:)
)
GERALD J SULLIVAN & ASSOC)
OF OREGON LLC)
)
Licensee)
_____)

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JUL 27 2017
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DIVISION OF INSURANCE
JUNEAU OFFICE

Case No. D 17-08

STIPULATED AGREEMENT AND ORDER

The Division of Insurance (division) and Gerald J Sullivan & Assoc of Oregon LLC (Sullivan), the licensee in this case, stipulate and agree to the following:

I. BACKGROUND

- A. Sullivan holds surplus lines broker and firm insurance producer license number 15882.
- B. Under AS 21.06.120, the division performed a limited and targeted premium tax audit of Sullivan's surplus lines business for the period January 1, 2015 through December 31, 2016. The audit was completed and a report and order approving the report were issued on June 13, 2017 under TA 17-01. Both were sent to Sullivan on June 14, 2017.
- C. Under two failed findings in the audit report, 27 violations of AS 21.34 were identified that are within the control of Sullivan to correct in order to comply with Alaska insurance laws. However, only one finding with nine violations in the 2017 audit were previously identified in the 2013 audit.

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

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II. TERMS OF AGREEMENT

1. The division agrees that the next audit performed on Sullivan related hereto will exclude any quarter ending before October 1, 2017.

2. For the TA 17-01 audit violations, Sullivan agrees to pay a civil penalty under AS 21.34.230 in the amount of \$10,000 with \$5,000 suspended. The unsuspended penalty of \$5,000 is payable within three months from the time Sullivan is notified that the director has signed the order approving this agreement.

3. In the event Sullivan is found to have violated the Alaska insurance laws during the period that will be part of the next audit, the suspended portion of the penalty referenced in paragraph 2 will be reinstated. Sullivan also will be subject to any and all sanctions authorized by the insurance laws including imposing additional penalties.

4. By signing this agreement, Sullivan 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 15882.

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

DATED: 7/31/17

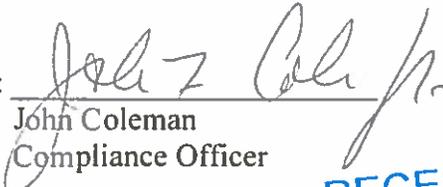
DIVISION OF INSURANCE

By: Rebecca Nesheim
Rebecca Nesheim
Tax Auditor

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DATED: 7/24/17

GERALD J SULLIVAN & ASSOC
OF OREGON LLC

By: 
John Coleman
Compliance Officer

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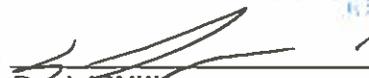
JUL 27 2017

Approved as to form and content:

DATED: 8/2/17

JAHNA LINDEMUTH
ATTORNEY GENERAL

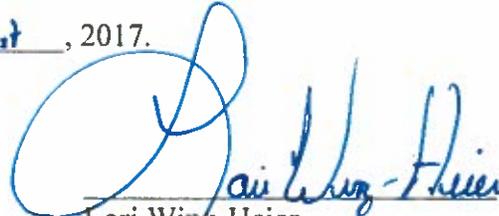
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DIVISION OF INSURANCE
BUREAU OFFICE

By: 
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 11th day of August, 2017.


Lori Wing-Heier
Director