

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

In the Matter of:)
)
AmWINS Insurance Brokerage of)
CA LLC)
)
Licensee)
_____)

Case No. D 20-03

STIPULATED AGREEMENT AND ORDER

The Division of Insurance (division) and AmWINS Insurance Brokerage of CA LLC., (AmWINS), the licensee in this case, stipulate and agree to the following:

I. BACKGROUND

A. AmWINS holds surplus lines broker license number 20343.

B. Under AS 21.06.120, the division performed a limited and targeted premium tax audit of AmWINS's surplus lines business for the period January 1, 2017 through December 31, 2018. The audit was completed and a report and order approving the report were issued on April 14, 2020 under TA 19-03. Both were sent to AmWINS on April 14, 2020.

C. Under two failed findings in the audit report, 58 violations of AS 21.34 were identified as being within the control of AmWINS to correct in order to comply with Alaska insurance laws.

D. These 58 violations of AS 21.34 subjects AmWINS to civil penalties under AS 21.34.230.

1 E. Due to these violations having been found during the subsequent audit after the
2 Stipulated Agreement and Order D 16-05 entered into between the division and AmWINS was
3 signed, the previously suspended civil penalty of \$5,000 in that Stipulated Agreement and Order
4 is now subject to reinstatement.

5
6 II. TERMS OF AGREEMENT

7 1. The division agrees that the next audit performed on AmWINS related hereto will
8 exclude any quarter ending before October 1, 2020.

9 2. For the TA 19-03 audit violations, AmWINS agrees to pay a civil penalty under
10 AS 21.34.230 in the amount of \$20,000 with \$10,000 suspended. The unsuspended penalty of
11 \$10,000 is payable within three months of the date that AmWINS is notified that the director
12 has signed the order approving this agreement.

13 3. For the reinstated penalty under Stipulated Agreement and Order D 16-05,
14 AmWINS agrees to pay \$5,000 within three months of the date AmWINS is notified that the
15 director has signed the order approving this agreement.

16 4. In the event AmWINS is found to have violated the Alaska insurance laws during
17 the next audit resulting in failed findings, the suspended portion of the penalty referenced in
18 paragraph 2 will be reinstated. AmWINS also will be subject to any and all sanctions
19 authorized by the insurance laws including imposing additional penalties.

20 5. By signing this agreement, AmWINS understands and agrees that any failure to
21 comply with the terms of this agreement may be grounds to revoke, suspend, or non-renew
22 Alaska surplus lines broker license number 20343.

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

DATED: 6/11/20

DIVISION OF INSURANCE

By: Rebecca Nesheim
Rebecca Nesheim
Tax Auditor

DATED: 06/09/20

AMWINS INSURANCE BROKERAGE OF CA
LLC

By: George Maggay
George Maggay
Compliance Officer

DATED: 06/11/20

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 11th day of June, 2020.

Lori Wing-Heier
Lori Wing-Heier
Director