

STATE OF ALASKA
DEPARTMENT OF COMMERCE, COMMUNITY AND ECONOMIC
DEVELOPMENT
DIVISION OF INSURANCE
550 W. 7th AVENUE SUITE 1560
ANCHORAGE, ALASKA 99513-3567
PHONE: (907) 269-7900

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DEPARTMENT OF COMMERCE, COMMUNITY AND ECONOMIC
DEVELOPMENT

DIVISION OF INSURANCE
550 W. 7th AVENUE, SUITE 1560
ANCHORAGE, ALASKA 99501-3567

In the Matter of:)
)
OTM INS SPECIALISTS LLC)
License # 104941)
Insurance Producer & Surplus Lines Broker)
)
)

Division of Insurance Case No. D 22-16

STIPULATED AGREEMENT AND ORDER

The State of Alaska Division of Insurance (division) and OTM Ins Specialists LLC (OTM), the producer in this case, stipulate and agree to the following:

- I. BACKGROUND
 - A. On March 5th, 2021, OTM received their initial Insurance Producer license with Casualty, and Property lines of authority, license # 104941, authorizing OTM to transact insurance business in Alaska. This license expires March 31st, 2023.
 - B. In a routine internal audit performed in August of 2022, it was discovered that OTM had sold policies prior to receiving their license.

- 1 C. On August 25th, 2022, notice was sent to OTM informing them of the division's
2 audit that revealed policies posted before initial licensure. This notice requested a
3 Business Transaction Form verifying any additional business that may have been
4 placed prior to licensure in the state of Alaska.
5
6 D. On September 30th, 2022, the firm supplied a business transaction form indicating
7 four policies were sold prior to licensure in the state of Alaska, totaling \$1,645 in
8 commissions received.
9
10 E. On October 10th, 2022, a proposed agreement was issued to OTM assessing a
11 civil penalty in the amount of \$1,645 with \$822 suspended. The unsuspended
12 penalty of \$822 is payable to the division.
13
14 F. On October 12th 2022, OTM responded to the Division's request to move forward
15 and enter into a formal agreement to pay the civil penalty of \$1,645.
16

17 II. TERMS OF AGREEMENT
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- 19 A. Between October 2018 and February 2021, four policies were transacted prior to
20 the license issuance date and were in violation of AS 21.27.010 which subjects
21 OTM to civil penalties. AS 21.27.440(a) provides that "in addition to any other
22 penalties provided by law, a person that the director of the division (director)
23 determines under AS 21.06.170-21.06.240 has violated the provisions of this
24 chapter is subject to (1) a civil penalty equal to the compensation promised, paid,
25 or to be paid, directly or indirectly, to a person in regard to each violation; (2)
26 either a civil penalty of not more than \$10,000 for each violation or a civil penalty
27 of not more than \$25,000 for each violation if the director determines that the
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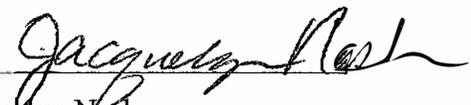
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person willfully violated the provisions of this chapter; and (3) denial, nonrenewal, suspension, or revocation of a license.” The director has the latitude to impose civil penalties against a person who has violated Alaska’s insurance laws

- B. OTM agrees to pay the civil penalty under AS 21.27.440 in the amount of \$1,645 for activity that occurred prior to the issuance of the firm license with \$822 suspended.
- C. In the event OTM violates Alaska insurance laws during the next year, the suspended portion of the penalty referenced in paragraph one will be reinstated. OTM will be subject to any and all sanctions authorized by the insurance laws including imposition of additional penalties regarding any such violation.
- D. By signing this agreement, OTM understands and agrees that any failure to comply with the conditions of this agreement will be grounds to revoke, suspend, or not renew Alaska firm license 104941 .
- E. OTM understands that this agreement is not binding on the parties unless and until the director signs the order approving the agreement

DATED: 10/31/22

OTM INS AGENCY, LLC

By: 
Jacquelyn Nash
Vice President of Insurance

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Approved as to form and content:

DATED: 11-1-2022

By: 
Susan Mitchell
Assistant Attorney General

ORDER

IT IS FURTHER ORDERED that this Stipulated Agreement and Order is adopted in full resolution of the civil liability issues between the parties to this agreement in these cases and shall constitute the final order in these matters.

DATED this 3rd day of November, 2022.


Lori K. Wing-Heier
Director, Division of Insurance