STATE OF ALASKA DEPARTMENT OF COMMERCE, COMMUNITY AND ECONOMIC DEVELOPMENT DIVISION OF INSURANCE P.O. BOX 110805 JUNEAU, ALASKA 98811-0805 PHONE: (907) 466-2615 FAX: (907) 466-3422 IF YOU NEED HEARING ASSISTANCE, PLEASE CALL ALASKA RELAY AT 711

STATE OF ALASKA

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

In the Matter of:		
Marsh USA Inc		
	Licensee	

Case No. D 23-01

STIPULATED AGREEMENT AND ORDER

The Division of Insurance (division) and Marsh USA Inc, (Marsh), the licensee in this case, stipulate and agree to the following:

I. BACKGROUND

- A. Marsh holds surplus lines broker license number 7782.
- B. Under AS 21.06.120, the division performed a limited and targeted premium tax audit of Marsh's surplus lines business for the period January 1, 2020 through December 31, 2021. The audit was completed and a report and order approving the report were issued on December 15, 2022, under TA 22-03. Both were sent to Marsh on December 15, 2022.
- C. Under the five failed findings in the audit report, 44 violations of AS 21.34 were identified as being within the control of Marsh to correct in order to comply with Alaska insurance laws.
- D. These 44 violations of AS 21.34 subjects Marsh to civil penalties under AS 21.34.230.

Stipulated Agreement and Order Marsh USA Inc

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

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II. TERMS OF AGREEMENT

- 1. The division agrees that the next audit performed on Marsh related hereto will exclude any quarter ending before July 1, 2023.
- 2. For the TA 22-03 audit violations, Marsh agrees to pay a civil penalty under AS 21.34.230 in the amount of \$50,000 with \$25,000 suspended. The unsuspended penalty of \$25,000 is payable within three months of the date that Marsh is notified that the director has signed the order approving this agreement.
- 3. For the reinstated penalty under Stipulated Agreement and Order D 19-04, Marsh agrees to pay \$30,000 within three months of the date Marsh is notified that the director has signed the order approving this agreement.
- 4. In the event Marsh is found to have violated the Alaska insurance laws during the next audit resulting in failed findings, the suspended portion of the penalty referenced in paragraph 2 will be reinstated. Marsh also will be subject to any and all sanctions authorized by the insurance laws including imposing additional penalties.
- 5. By signing this agreement, Marsh 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 license number 7782.
- 6. Marsh understands that this agreement is not binding on the parties unless and until the director signs the order approving the agreement.

DATED: 1/26/2023

DIVISION OF INSURANCE

Rebecca Nesheim Tax Auditor

Stipulated Agreement and Order Marsh USA Inc

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DATED: 01/26/2023

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Marsh USA Inc

Partner Support Leader

TREG R. TAYLOR

By: Daniel Wilkerson

Daniel Wilkerson Assistant Attorney General

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.

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