

STATE OF ALASKA  
DEPARTMENT OF COMMERCE AND ECONOMIC DEVELOPMENT  
DIVISION OF INSURANCE  
P.O. BOX 110805  
JUNEAU, ALASKA 99811-0805  
(907) 465-2515

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DIVISION OF INSURANCE

CEASE AND DESIST ORDER 94-04

TO: Jennifer Van Miegham  
Gardner & White  
P.O. Box 40948  
Indianapolis, IN 46240-0948

It has been determined by the Division of Insurance that you have engaged in transacting a business of insurance in Alaska, or relative to a subject resident, located or to be performed in Alaska. The transaction of a business of insurance in Alaska is defined in AS 21.90.900(39), which states:

"Transact" with respect to insurance includes

- (A) solicitation and inducement;
- (B) preliminary negotiations;
- (C) effectuation of contract of insurance;
- (D) transaction of matters subsequent to effectuation of the contract of insurance and arising out of it.

1 In order to transact insurance in Alaska, a person must hold the appropriate  
2 license. This is required by AS 21.27.010(a) which states:

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5 A person may not act as or represent to be an insurance producer,  
6 managing general agent, reinsurance intermediary broker, reinsurance  
7 intermediary manager, surplus lines broker, or independent adjuster in  
8 this state or relative to a subject resident, located or to be performed in  
9 this state unless licensed under this chapter. A person may not act as or  
10 represent to be a managing general agent, reinsurance intermediary  
11 broker, or reinsurance intermediary manager representing an insurer  
12 domiciled in this state regarding a risk located outside this state unless  
13 licensed by this state.  
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15  
16 If you are transacting business as a Third-Party Administrator (TPA),  
17 registration is required under AS 21.27.630(a)(6) which states:

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20 (a) A person may not act as or represent to be a third-party administrator  
21 in this state or relative to a subject resident, located, or to be performed in  
22 this state, unless registered under this chapter or in another jurisdiction  
23 under AS 21.27.650. A person may not act as or represent to be a  
24 third-party administrator representing an insurer domiciled in this state  
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1 regarding a risk located outside this state unless registered by this state  
2 under the provisions of this chapter.

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5 (b) A third-party administrator may not transact business for a kind or  
6 class of insurance for which the person is not registered.

7  
8 AS 21.27.440(a) states:

9  
10 In addition to any other penalty provided by law, a person that the director  
11 determines under AS 21.06.170 - 21.06.240 has violated the provisions of  
12 this chapter is subject to  
13

14  
15 (1) a civil penalty equal to the compensation promised, paid, or to be  
16 paid, directly or indirectly, to a licensee in regard to each violation;

17  
18 (2) either a civil penalty of not more than \$10,000 for each violation or  
19 a civil penalty of not more than \$25,000 for each violation if the director  
20 determines that the person willfully violated the provisions of this chapter;  
21 and  
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23  
24 (3) denial, nonrenewal, suspension or revocation of a license.  
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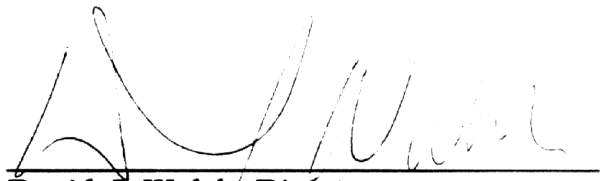
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Since you do not hold the appropriate license and have been transacting the business of insurance in this state, you are hereby ordered to cease and desist from further violation of Alaska Law. Continued transaction of insurance in Alaska will be considered a gross and willful violation and will be subject to appropriate administrative action, as well as possible criminal remedies.

Enclosed are the application forms to apply for licensure/registration. Instructions for application are indicated on the forms. If you determine that you may qualify for the TPA exemption, you must advise the division in writing and provide supporting documentation. Documentation would include an original certification issued by your home state reflecting licensure/registration as a TPA; or, if your home state does not issue certifications, a statement from your home state insurance department explaining that the license you hold grants you TPA authority.

This order is effective immediately.

Dated at Juneau, Alaska this 23<sup>rd</sup> day of February, 1994.

  
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David J. Walsh, Director  
Division of Insurance