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

In the Matter of: )  
)  
ALASKA PREMIER UNDERWRITERS, INC., )  
LISA M. WALLIS, PRESIDENT and )  
COMPLIANCE OFFICER, )  
)  
Licensees. )  
\_\_\_\_\_ )

Case No. D 06-08

STIPULATED AGREEMENT AND ORDER

The Division of Insurance (division), Alaska Premier Underwriters, Inc. (APUI), and Lisa M. Wallis (Ms. Wallis) stipulate and agree to the following:

BACKGROUND

1. APUI holds firm producer, surplus lines, and managing general agent license number 32667. Ms. Wallis is president of APUI and compliance officer for the firm under license number 5007.
2. In the later part of 2005, the division conducted a market conduct examination of APUI covering the period July 1, 2003 through June 30, 2005.
3. The examiners found evidence of conduct in violation of Alaska's insurance laws including:
  - (a) failure to timely file its surplus lines monthly, quarterly, and annual reports, and its failure to timely forward surplus lines taxes and fees to the state in violations of AS 21.36.195;

- 1
- 2 (b) flawed and incomplete affidavits of due diligence in violation of
- 3 3 AAC.25.030(c);
- 4 (c) instances of documents being altered in violation of
- 5 AS 21.36.360(p)(2);
- 6 (d) issuing policies late in violation of AS 21.34.100 and 3 AAC 25.060;
- 7 (e) policy stamping violations of AS 21.34.100(e) and (f); and
- 8 (f) documentation violations of AS 21.27.350(a).

9

10 4. The parties desire to settle this matter under the terms described below.

11 TERMS OF AGREEMENT

12 A. APUI and Ms. Wallis agree to pay a civil penalty under AS 21.36.320 in

13 the amount of \$7,500 for the violations of AS 21.36.360. The civil penalty is payable within

14 three months of the date APUI and Ms. Wallis are notified that the director has signed the order

15 approving this agreement.

16 B. The division will conduct a brief follow-up examination within the next

17 several months. Any new violations of Alaska's insurance laws found in the follow-up

18 examination would be subject to further civil penalties the division deems appropriate.

19 C. By signing this agreement, APUI and Ms. Wallis understand and agree

20 that any failure to comply with the conditions of this agreement will be grounds to revoke,

21 suspend, or not renew Alaska insurance license numbers 32667 and 5007.

22 D. APUI and Ms. Wallis understand that this agreement is not binding on

23 the parties unless and until the director signs the order approving the agreement.

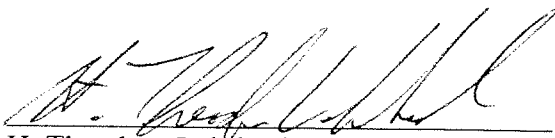
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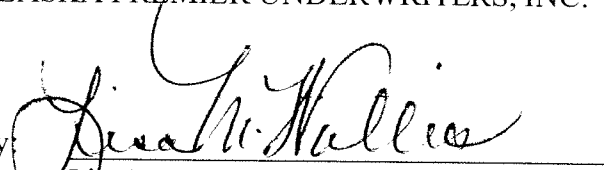
1  
2 DATED: 10/04/2006

DIVISION OF INSURANCE

3  
4 By:   
5 H. Theodore Lehrbach  
6 Chief Examiner, Market Conduct

7 DATED: 8/23/04


ALASKA PREMIER UNDERWRITERS, INC.

8  
9 By:   
10 Lisa M. Wallis  
11 President and Compliance Officer

12 Approved as to form and content:

13 DATED: 10/5/06

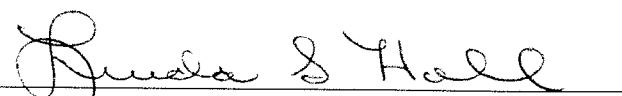
14 DAVID W. MARQUEZ  
15 ATTORNEY GENERAL

16 By:   
17 Nathaniel B. Atwood  
18 Assistant Attorney General

19 ORDER

20  
21 IT IS ORDERED that this Stipulated Agreement and Order is adopted in full  
22 resolution of the issues in this case, and shall constitute the final order in this matter.

23 DATED this 5<sup>th</sup> day of October, 2006.

24  
25   
26 Linda S. Hall  
Director of Insurance