

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

In the Matter of: )  
SEAWEST ADJUSTMENT COMPANY, INC. )  
Licensee )  
\_\_\_\_\_ )

Case No. D 14-19

STIPULATED AGREEMENT AND ORDER

The Division of Insurance (division) and Seawest Adjustment Company, Inc. (Seawest), the licensee in this case, stipulate and agree to the following:

I. BACKGROUND

A. Michael J. London (London) holds independent adjuster license number 45530 and is the licensee designated by Seawest under AS 21.27.020(c)(3) as the compliance officer for Seawest.

B. Seawest holds independent adjuster license number 44757.

C. On or about January 16, 2013, the division sent Seawest a notice to remind it to renew its license.

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2 D. On or about March 15, 2013, the division notified Seawest that its license  
3 lapsed for failure to renew.

4 E. The lapse notice in paragraph D stated a person may not act or represent to be  
5 an independent adjuster during the time a license has lapsed, and that penalties are provided for  
6 transacting business without a valid license.

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8 F. On or about September 24, 2013, the division sent London a notice to remind  
9 him to renew his license.

10 G. As part of the filing requirements to renew London's license and to reinstate  
11 Seawest's license, London, the designated compliance officer for Seawest, provided a notarized  
12 statement to the division indicating whether any business had been transacted while Seawest  
13 was not appropriately licensed. The statement indicated that the firm adjusted 19 claims  
14 between March 10, 2013 and December 13, 2013 earning \$61,704.78 in compensation. These  
15 transactions subject Seawest to civil penalties under AS 21.27.440.

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17 H. The statement also indicated that Seawest conducted adjusting activities on  
18 behalf of Osprey Underwriting Agency Limited (Osprey), however, Osprey was neither  
19 admitted as an insurer nor as an unauthorized/surplus lines insurer in this state. AS 21.97.900  
20 defines an "independent adjuster" as a "person who, for compensation as an independent  
21 contractor or as an employee of an independent contractor, for fee or commission, investigates  
22 and adjusts losses or claims arising under insurance contracts on behalf of an insurer." As a  
23 licensed independent adjuster, Seawest failed in its responsibility to confirm that the adjusting  
24 activities performed were on behalf of an insurer.

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26 Seawest Adjustment Company, Inc. and Michael J. London  
Stipulated Agreement and Order

II. TERMS OF AGREEMENT

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1. Seawest agrees to pay a civil penalty under AS 21.27.440 in the amount of \$61,704.78 for the unlicensed activity that occurred from March 10, 2013 through December 13, 2013, with \$41,704.78 suspended. The unsuspended penalty of \$20,000 is payable within 12 months of the time Seawest has been notified that the director has signed the order adopting this agreement. The unsuspended penalty shall be paid in 12 monthly installments with the first 11 installments being in the amount of \$1,666.67 and the final installment being in the amount of \$1,666.63.

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2. In the event that Seawest violates Alaska insurance laws during the next two years, the suspended portion of the penalty referenced in paragraph one will be reinstated. Seawest also will be subject to any and all sanctions authorized by the insurance laws including imposition of additional penalties.

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3. By signing this agreement, Seawest understands and agrees that any failure to comply with the conditions of this agreement will be grounds to revoke, suspend, or not renew Alaska independent adjuster license number 44757.

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4. Seawest understands that this agreement is not binding on the parties unless and until the director signs the order adopting this agreement.

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DATED: 9-22-14

DIVISION OF INSURANCE

By: Linda Brunette

Linda Brunette  
Program Coordinator

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DATED: 9-16-14

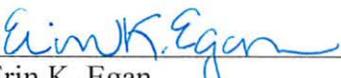
SEAWEST ADJUSTMENT COMPANY,  
INC. AND MICHAEL J. LONDON

By:   
Michael J. London  
Compliance Officer  
Seawest Adjustment Company, Inc.

Approved as to form and content:

DATED: 9/26/14

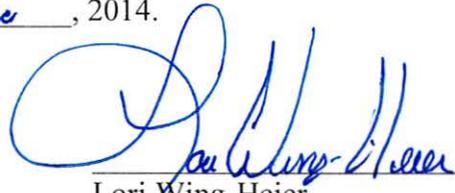
MICHAEL C. GERAGHTY  
ATTORNEY GENERAL

By:   
Erin K. Egan  
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 3rd day of October, 2014.

  
Lori Wing-Heier  
Director