

CERTIFIED MAIL

RETURN RECEIPT REQUESTED

STATE OF ALASKA

DEPARTMENT OF COMMERCE, COMMUNITY AND ECONOMIC

DEVELOPMENT

DIVISION OF INSURANCE

550 W. 7th AVENUE, SUITE 1560

ANCHORAGE, ALASKA 99501-3567

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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

In the Matter of:)
)
STEWART TITLE COMPANY)
NPN# 10928352)
)
)
)
)
)

Division of Insurance Case No. D24-06

STIPULATED AGREEMENT AND ORDER

The State of Alaska Department of Commerce, Community, and Economic
Development, Division of Insurance (Division), **STEWART TITLE COMPANY**
(**STEWART**) the producer in this case, stipulate and agree to the following:

I. BACKGROUND

A. On September 24, 2008, **STEWART** received its initial Title Insurance Limited
Producer license with Title lines of authority, license number 73852, authorizing
STEWART to transact insurance business in Alaska. This license expires in
September 24 of even numbered years.

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- 1 B. During a review the Division identified a previously licensed individual,
2 **KELLY HARRINGTON (HARRINGTON)**, listed as an employee of
3 **STEWART** on their website.
- 4
- 5 C. **HARRINGTON** was listed as a Title Officer on **STEWART's** website.
6 **HARRINGTON** previously held a Title Insurance Limited Producer license in
7 Alaska, number 62535. This license expired on June 30, 2021. **HARRINGTON's**
8 Alaska license has not been reinstated.
- 9
- 10 D. On July 25, 2023, the Division contacted **DUSTIN ADKINS (ADKINS)**,
11 Division President of **STEWART** in Anchorage, Alaska, to inquire about
12 **HARRINGTON's** position and duties in the firm.
- 13
- 14 E. On July 26, 2023, **STEWART** via **ADKIN's** response confirmed
15 **HARRINGTON's** employment with **STEWART**. **ADKIN's** further stated their
16 firm's web roster will be updated to reflect **HARRINGTON's** job title and her
17 unlicensed status. **ADKIN's** asserted that **HARRINGTON** would not be
18 handling any licensable functions and **STEWART** will remain in compliance
19 going forward.
- 20
- 21 F. On July 28, 2023, the Division requested additional clarification and asked
22 **ADKIN's** to detail **HARRINGTON's** job duties and confirm if **HARRINGTON**
23 had been performing title policy work when she was hired by **STEWART**.
- 24
- 25 G. On August 3, 2023, **ADKIN's** responded indicating that **HARRINGTON** was
26 hired in September of 2022, after her license was in expired status. At this time,
27 **HARRINGTON**, a resident of the State of Florida, was hired on to assist on a
28 temporary basis to get past an emergency staffing issue **STEWART** faced. Under

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Alaska Statute (AS) 21.66.270 nonresident applicants are prohibited from engaging in Title insurance in Alaska.

- H. **ADKIN's** provided business transaction records on behalf of **STEWART** in a spreadsheet documenting the activities **HARRINGTON** performed for **STEWART**. The license records indicated **HARRINGTON** engaged in title insurance work that may have required a license after her Alaska license expired on June 30, 2021. **STEWART** was unable to clarify if the activity was absolutely a licensable function.
- I. On March 16, 2024, Mary Thomas, Senior Vice President and Chief Compliance and Regulatory Officer, reported to the Division that out of abundance of caution **STEWART** removed **HARRINGTON** from all work that may result in an insured product.
- J. The Division is assessing a civil penalty in the amount of \$125,000 with \$62,500 suspended. The unsuspended penalty of \$62,500 is payable to the Division.

II. TERMS OF AGREEMENT

- A. **STEWART's** business records reported policies were transacted without a valid license and were in violation of AS 21.27.010 which subjects **STEWART** to civil penalties. AS 21.27.440(a) provides that “in addition to any other penalties provided by law, a person that the director determines under AS 21.06.170-21.06.240 has violated the provisions of this chapter is subject to (1) a civil penalty equal to the compensation promised, paid, or to be paid, directly or indirectly, to a person in regard to each violation; (2) either a civil penalty of not more than \$10,000 for each violation or a civil penalty of not more than \$25,000

1 for each violation if the director determines that the person willfully violated the
2 provisions of this chapter; and (3) denial, nonrenewal, suspension, or revocation
3 of a license.” The director has the latitude to impose civil penalties against a
4 person who has violated Alaska’s insurance laws.
5

6 B. AS 21.27.140 (c) If the director determines under AS 21.06.170 — 21.06.240 that
7 a firm knew or should have known of an act or representation made on the firm's
8 behalf by a person not licensed as required by this chapter, the firm and the firm's
9 compliance officer are subject to the penalties provided under AS 21.27.440.
10

11 C. AS 21.66.270 prohibits a nonresident from transacting the business of Title
12 insurance, “A title insurance limited producer shall be licensed in the manner
13 provided for in AS 21.27. A title insurance limited producer may not obtain a
14 license unless the producer is a resident of the state. A title insurance limited
15 producer may not be licensed to sell insurance other than title insurance.”
16

17 D. **STEWART** further agrees to pay the civil penalty in the amount of \$125,000 for
18 activities that occurred during **HARRINGTON**’s unlicensed activities with
19 \$62,500 suspended. The unsuspended portion of \$62,500 must be received by the
20 Division within 30 days of the signature finalizing this agreement.
21

22 E. In the event **STEWART** is found to have violations of the Alaska insurance laws
23 during the next two years, the suspended portion of the penalty of \$62,500
24 referenced in section II. B. will be reinstated. **STEWART** also will be subject to
25 any and all sanctions authorized by the insurance laws including imposition of
26 additional penalties regarding any such violation.
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F. By signing this agreement, **STEWART** understands and agrees that any failure to comply with the terms of this agreement will be grounds to revoke, suspend, or non-renew Alaska license number 73852.

G. **STEWART** understands that this agreement is not binding on the parties unless and until the director signs the order approving the agreement.

DATED: 5/10/2024

DocuSigned by:
Mary Thomas
928AA4A35ATE434...
By: _____
Mary Thomas
STEWART TITLE COMPANY
Licensee

Approved as to form and content:

DATED: 5/10/2024

DocuSigned by:
Susan Mitchell
E2FB472C3B174D4...
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 10th day of May, 2024.

DocuSigned by:
Lori Wing-Heier
A304E38011074B0...

LORI WING-HEIER, DIRECTOR
DIVISION OF INSURANCE

STEWART TITLE COMPANY
Stipulated Agreement and Order
D24-06

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I hereby certify that, on the _____ day of _____, 2024, I mailed copies of the accusation to:

STEWART TITLE COMPANY
480 E 36th AVENUE
ANCHORAGE, ALASKA 99503
United States
