

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

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

10 In the Matter of:)
11)
12 **COLLECTOR'S RISK INC**)
13 NPN# 2105635)
14)

15 Division of Insurance Case No. D24-21

17 **STIPULATED AGREEMENT AND ORDER**

18 The State of Alaska Department of Commerce, Community, and Economic
19 Development, Division of Insurance (Division), **COLLECTOR'S RISK INC**

20 **(COLLECTOR'S RISK)** the producer in this case, stipulate and agree to the following:
21

22 **I. BACKGROUND**

23 A. On November 13, 2020, **COLLECTOR'S RISK** received their initial
24 Insurance Producer license with Casualty, and Property lines of authority,
25 license number 3001080980, authorizing **COLLECTOR'S RISK** to
26 transact insurance business in Alaska. This license expires in November
27 13 of odd numbered years.
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29 **COLLECTOR'S RISK INC**
Stipulated Agreement and Order
D24-21

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- B. On September 7, October 6, and November 8, 2022, the Division provided **COLLECTOR'S RISK** renewal notices informing of the impending expiration date of November 13, 2022.
- C. On November 13, 2022, **COLLECTOR'S RISK's** license expired for failure to renew.
- D. On December 6, 2022, expiration notice was provided to **COLLECTOR'S RISK** informing that the firm's license had expired for failure to renew.
- E. On December 20, 2023, **COLLECTOR'S RISK** applied to reinstate its license.
- F. On January 25, 2024, **COLLECTOR'S RISK's** license was reinstated.
- G. During an internal audit the Division discovered that **COLLECTOR'S RISK** issued policies between November 13, 2022, and January 25, 2024, without a valid license.
- H. On February 13, 2024, the Division sent correspondence to **COLLECTOR'S RISK** regarding the unlicensed activity and requested the firm provide a Business Transaction Form (BTF).
- I. On February 29, 2024, Gregory Brown Authorized Submitter for **COLLECTOR'S RISK** provided the BTF form in support of its reinstatement application. Upon review of the BTF, it was revealed two (2) policies were sold between November 13, 2022, and January 25, 2024, resulting in \$2,002.76 commission during a period when their license was expired.

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J. On June 6, 2024, the Division sent correspondence a proposed settlement to **COLLECTOR’S RISK** assessing a civil penalty in the amount of \$2,002 with \$1,001 suspended. The unsuspended penalty of \$1,001 is payable to the Division.

K. On June 11, 2024, **COLLECTOR’S RISK** accepted the proposed agreement.

II. TERMS OF AGREEMENT

A. Between November 13, 2022, and January 25, 2024, two (2) total policies were transacted prior to the license reinstatement date of January 25, 2024, and were in violation of Alaska Statute (AS) 21.27.010 which subjects **COLLECTOR’S RISK** 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 for each violation if the director determines that the person willfully violated the provisions of this chapter; and (3) denial, nonrenewal, suspension, or revocation of a license.” The director has the latitude to impose civil penalties against a person who has violated Alaska’s insurance laws.

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B. **COLLECTOR'S RISK** further agrees to pay the civil penalty in the amount of \$2,002 for activity that occurred prior to the reinstatement of firm license with \$1,001 suspended. The unsuspended portion of \$1,001 must be received by the Division within 30 days of the signature finalizing this agreement.

C. In the event **COLLECTOR'S RISK** is found to have violations of the Alaska insurance laws during the next two years, the suspended portion of the penalty of \$1001 referenced in section II. B. will be reinstated.

COLLECTOR'S RISK also will be subject to any and all sanctions authorized by the insurance laws including imposition of additional penalties regarding any such violation.

D. By signing this agreement, **COLLECTOR'S RISK** understands and agrees that any failure to comply with the terms of this agreement will be grounds to revoke, suspend, or non-renew license number 3001080980.

E. **COLLECTOR'S RISK** understands that this agreement is not binding on the parties unless and until the director signs the order approving the agreement.

DATED: 7/12/2024

DocuSigned by:
Greg Brown
4CC2665CFECB44C...
By: _____
COLLECTOR'S RISK INC
Licensee

Approved as to form and content:

DATED: 7/12/2024

DocuSigned by:
Susan Mitchell
E2FB472C3B174D4...
By: _____
Susan Mitchell
Assistant Attorney General

COLLECTOR'S RISK INC
Stipulated Agreement and Order
D24-21

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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 15th day of July, 2024.

DocuSigned by:

Lori Wing-Heier

LORI WING-HEIER, DIRECTOR
DIVISION OF INSURANCE

Delivered Electronically

Mailed Certified:

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

COLLECTOR'S RISK INC
800 W HURON ST STE 3N
CHICAGO, ILLINOIS 60642-5973
United States

DocuSigned by:

Keyla Erickson

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