1	STATE OF ALASKA
2	DEPARTMENT OF COMMERCE, COMMUNITY, AND ECONOMIC DEVELOPMENT
3	DIVISION OF INSURANCE
4	In the Matter of:
5	Affinity Insurance Services Inc.
6)
7	Licensee)
8	Case No. D 24-27
9	
10	STIPULATED AGREEMENT AND ORDER
11	The Division of Insurance (division) and Affinity Insurance Services Inc. (Affinity),
12	the licensee in this case, stipulate and agree to the following:
13	I. BACKGROUND
14	A. Affinity holds surplus lines broker license number 9435.
15	B. Under AS 21.06.120, the division performed a limited and targeted premium tax audit
16	of Affinity's surplus lines business for the period January 1, 2022, through December 31, 2023.
17	The audit was completed and a report and order approving the report were issued on July 18, 2024,
18 19	under TA 24-01. Both were sent to Affinity on July 18, 2024.
20	C. Under four failed finding in the audit report, 10 violations of AS 21.34 were identified
20	as being within the control of Affinity to correct in order to comply with Alaska insurance laws.
21	D. These 10 violations of AS 21.34 subjects Affinity to civil penalties under AS
22	21.34.230.
23	E. Due to these violations having been found during the subsequent audit after the
25	Stipulated Agreement and Order D 21-06 entered between the division and Affinity was signed, the
	Stipulated Agreement and OrderD 24-27Affinity Insurance Services Inc.Page 1 of 3

STATE OF ALASKA DEPARTMENT OF COMMERCE, COMMUNITY AND ECONOMIC DEVELOPMENT DIVISION OF INSURANCE DIVISION OF INSURANCE JUNEAU, ALASKA 99811-0805 PHONE: (907) 465-2515 FAX: (907) 465-3422 IF YOU NEED HEARING ASSISTANCE, PLEASE CALL ALASKA RELAY AT 711

previously suspended civil penalty of \$35,000 in that Stipulated Agreement and Order is now
subject to reinstatement.

II. TERMS OF AGREEMENT

1. The division agrees that the next audit performed on Affinity related hereto will exclude any quarter ending before January 1, 2025.

2. For the TA 24-01 audit violations, Affinity agrees to pay a civil penalty under AS 21.34.230 in the amount of \$10,000 with \$5,000 suspended. The unsuspended penalty of \$5,000 is payable within three months of the date Affinity is notified the director has signed the order approving this agreement.

3. For the reinstated penalty under Stipulated Agreement and Order D 21-06, Affinity agrees to pay \$35,000 within three months of the date Affinity is notified that the director has signed the order approving this agreement.

4. In the event Affinity is found to have violated the Alaska insurance laws during the next audit resulting in failed findings, the suspended portion of the penalty referenced in paragraph 2 will be reinstated. Affinity also will be subject to any and all sanctions authorized by the insurance laws including imposing additional penalties.

5. By signing this agreement, Affinity understands and agrees that any failure to comply with the terms of this agreement may be grounds to revoke, suspend, or non-renew Alaska surplus lines broker license number 9435.

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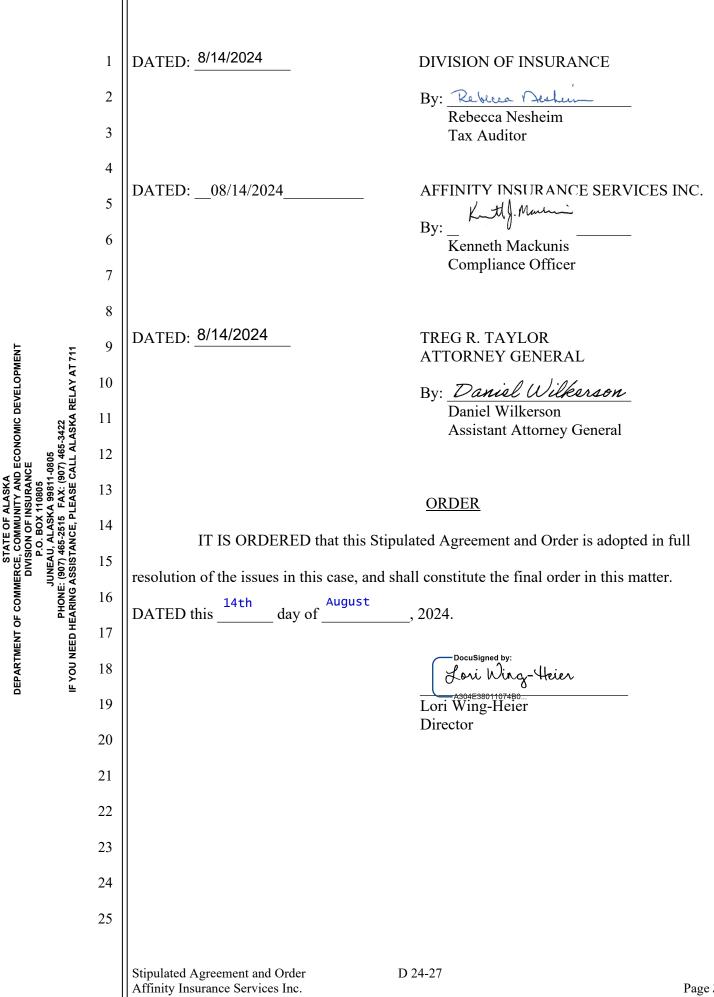
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6. Affinity understands that this agreement is not binding on the parties unless and until the director signs the order approving the agreement.

D 24-27



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