

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:)
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ANDREW STEWART APPEL)
NPN# 374658)
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)
)

Division of Insurance Case No. D24-28

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STIPULATED AGREEMENT AND ORDER

The State of Alaska Department of Commerce, Community, and Economic
Development, Division of Insurance (Division), **ANDREW STEWART APPEL**

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(APPEL) the producer in this case, stipulate and agree to the following:

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I. BACKGROUND

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A. On November 7, 2023, the Alaska Department of Commerce, Community
and Economic Development, Division of Insurance (Division) issued an
initial Insurance Producer license with Casualty, Property, Life, and
Health authority, license number 3002818805, to **ANDREW STEWART**

29

APPEL (APPEL) domiciled in the State of Indiana. This license has an
APPEL and GREGORY APPEL INC
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1 expiration date of January 31 of odd numbered years. The firm previously
2 held a license in Alaska from August 11, 2001, until August 11, 2005,
3 when the license became inactive.
4

5 B. On November 7, 2023, **APPEL** was issued an individual producer license
6 with Casualty, Property, Life, and Health authority. The license expires on
7 January 31, of odd numbered years.
8

9 C. On January 25, 2024, in a routine review the Division discovered that
10 **APPEL** is operating as/with firm **GREGORY & APPEL, INC**
11 **(GREGORY)** in Alaska. The Division noted that **GREGORY** previously
12 held an Alaska license which lapsed in 2005. The Division further
13 discovered **GREGORY** issued a policy effective July 31, 2023, without a
14 valid license.
15

16 D. On February 13, 2024, the Division requested a Business Transaction
17 Form (BTF) from **APPEL** in support of its unlicensed activity. No
18 response was received.
19

20 E. On April 18, 2024, the Division sent correspondence to **APPEL** informing
21 his failure to respond would result in revocation orders of the individual
22 license in Alaska. No response was received.
23

24 F. On May 6, 2024, the Director signed the initial order SR24-16 initiating
25 the Notice of Rights period for **APPEL**. **APPEL** had 15 days from May
26 16th to respond requesting a hearing, as are the rights afforded under
27 AS 21.06.180.
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- G. On June 3, 2024, the Director signed the final order revoking **APPEL**'s license for one year following the effective date of the order.
- H. On June 11, 2024, the Division received an appeal postmarked May 16, 2024. It is unclear where the mail delay occurred, but as the postmark date was within the notice period, the Division honored the request as statutorily required under AS 21.06.180.
- I. On June 20, 2024, the Division issued a Stay of Final Order of SR24-16 nunc pro tunc June 3, 2024.
- J. **APPEL** and **GREGORY** requested the following language be added to the order: “**APPEL** and **GREGORY** have historically not done business in Alaska. No policies were written in Alaska from 2005 to 2019. **APPEL** and **GREGORY** had not included Alaska in its standard licensing procedures. No policies were written in Alaska from 2005 to 2019. The Alaska policy out of which the violation arose was written in 2019 on an Alaska fishing lodge. **APPEL** and **GREGORY** placed the coverage without properly checking the status of their Alaska business entity licenses. The policyholder was not harmed as a result of the violation. **APPEL** and **GREGORY** have not disputed the violation and have admitted that it was an inadvertent error that they should not have allowed to happen.”
- K. **APPEL** and **GREGORY**'s business entity and individual licenses have been reinstated and both parties are appropriately licensed in Alaska.

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L. The Division sent correspondence with a proposed settlement to **APPEL** and **GREGORY** and assessed a civil penalty in the amount of \$7,843 with \$1,960 suspended. The unsuspended penalty of \$5,883 is payable to the Division.

M. On August 16, 2024, **APPEL** and **GREGORY** accepted the proposed penalty assessed.

II. TERMS OF AGREEMENT

A. Between May 2019, and July 2023, three (3) total policies were transacted prior to the license re-issuance on of April 1, 2024, and were in violation of Alaska Statute (AS) 21.27.010 which subjects **APPEL** and **GREGORY** 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.

B. **APPEL** and **GREGORY** further agree to pay the civil penalty in the amount of \$7,843 for activity that occurred prior to the reinstatement of

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firm license with \$1,960 suspended. The unsuspended portion of \$5,883 must be received by the Division within 30 days of the signature finalizing this agreement.

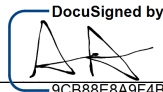
C. In the event **APPEL** and **GREGORY** is found to have violations of the Alaska insurance laws during the next two years, the suspended portion of the penalty of \$1,960 referenced in section II. B. will be reinstated.

APPEL and **GREGORY** 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, **APPEL** and **GREGORY** 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's 3002818805 & 25064.

E. **APPEL** and **GREGORY** understand that this agreement is not binding on the parties unless and until the Director signs the order approving the agreement.

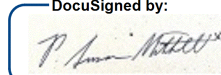
DATED: 10/1/2024

By: 
9CB88E8A9F4B4E6...
Andrew Stewart Appel
APPEL AND GREGORY INC
Licensee

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Approved as to form and content:

DATED: 10/1/2024

DocuSigned by:

By: _____
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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 1st day of October, 2024.

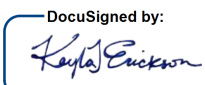
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A304E3801107480
LORI WING-HEIER, DIRECTOR
DIVISION OF INSURANCE

- Delivered Electronically
- Mailed Certified:

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

APPEL AND GREGORY INC
433 N CAPITOL STE 400
INDIANAPOLIS, Indiana 46204
United States

DocuSigned by:


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