

STATE OF ALASKA  
DEPARTMENT OF COMMERCE AND ECONOMIC DEVELOPMENT  
DIVISION OF INSURANCE  
P.O. BOX 110805  
JUNEAU, ALASKA 99811-0805  
(907) 465-2515

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26

STATE OF ALASKA  
DEPARTMENT OF COMMERCE AND ECONOMIC DEVELOPMENT  
DIVISION OF INSURANCE  
CEASE AND DESIST ORDER D94-19

TO: Henry S. Lehr Inc.  
P.O. Box 25001  
Lehigh Valley, PA 18002-5001

It has been determined by the Division of Insurance that you have engaged in transacting a business of insurance in Alaska, or relative to a subject resident, located or to be performed in Alaska. The transaction of a business of insurance in Alaska is defined in AS 21.90.900(39), which states:

- "Transact" with respect to insurance includes
- (A) solicitation and inducement;
  - (B) preliminary negotiations;
  - (C) effectuation of contract of insurance;
  - (D) transaction of matters subsequent to effectuation of the contract of insurance and arising out of it.

In order to transact insurance in Alaska, a person must hold the appropriate license. This is required by AS 21.27.010(a) which states:

A person may not act as or represent to be an insurance producer, managing general agent, reinsurance intermediary broker, reinsurance intermediary

1  
2  
3  
4 manager, surplus lines broker, or independent adjuster in this state or relative  
5 to a subject resident, located or to be performed in this state unless licensed  
6 under this chapter. A person may not act as or represent to be a managing  
7 general agent, reinsurance intermediary broker, or reinsurance intermediary  
8 manager representing an insurer domiciled in this state regarding a risk located  
9 outside this state unless licensed by this state.  
10

11 AS 21.27.440(a) states:

12  
13 In addition to any other penalty provided by law, a person that the director  
14 determines under AS 21.06.170 - 21.06.240 has violated the provisions of this  
15 chapter is subject to  
16

- 17 (1) a civil penalty equal to the compensation promised, paid, or to be paid,  
18 directly or indirectly, to a licensee in regard to each violation;  
19  
20 (2) either a civil penalty of not more than \$10,000 for each violation or a civil  
21 penalty of not more than \$25,000 for each violation if the director determines  
22 that the person willfully violated the provisions of this chapter; and  
23  
24 (3) denial, nonrenewal, suspension or revocation of a license.  
25

26 Since you do not hold the appropriate license and have been transacting the  
business of insurance in this state, you are hereby ordered to cease and desist from

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26


further violation of Alaska Law. Continued transaction of insurance in Alaska will be considered a gross and willful violation and will be subject to appropriate administrative action, as well as possible criminal remedies.

AS 21.90.020 states:

A person determined by the director, following an appropriate hearing as provided in AS 21.06.170 - AS 21.06.230, to have violated a provision of this title or a regulation adopted under it, for which violation a greater penalty is not provided in this title, is subject to a civil penalty of not more than \$2,500.

This order is effective immediately.

Dated at Juneau, Alaska this 27th day of June, 1994.



David J. Walsh, Director  
Division of Insurance