

STATE OF ALASKA
DEPARTMENT OF COMMERCE, COMMUNITY, AND ECONOMIC DEVELOPMENT
DIVISION OF INSURANCE
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STATE OF ALASKA
DEPARTMENT OF COMMERCE, COMMUNITY, & ECONOMIC DEVELOPMENT
DIVISION OF INSURANCE

In the Matter of:)
SEABURY & SMITH, INC.,)
Licensee.)
_____)

Case No. D 06-04

STIPULATED AGREEMENT AND ORDER

The Division of Insurance (division) and Seabury & Smith, Inc. (S&S), the licensee in this case, stipulate and agree that the unlicensed nonadmitted/surplus lines activity that occurred when S&S was not appropriately licensed is resolved as follows:

1. S&S holds a firm insurance producer license in Alaska with life, health, property, and casualty authority under #8386. In June 2005, the division received an Unauthorized Insurer's Report of Premiums and Taxes and subsequent information that indicated that the Sacramento, CA branch of S&S had transacted surplus lines insurance. At the time the surplus lines insurance was placed, neither S&S nor its Sacramento location was authorized to transact surplus lines insurance.
2. The division notified S&S of the need to hold an Alaska surplus lines broker license if it intended to transact this type of business. S&S has subsequently applied for and received surplus lines authority for this state.
3. S&S agrees to pay a civil penalty under AS 21.27.440 and AS 21.34.239 in the amount of \$11,530, which equals the amount of commission earned for the unlicensed

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2 activity between November 1, 2001 and June 1, 2005, with \$5,000 suspended. The
3 unsuspended portion of the penalty is payable at the time S&S is notified that the director has
4 signed the order approving this agreement.

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6 4. The division has already received payment of the premium taxes for the
7 unauthorized/surplus lines placement.

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9 5. In the event S&S violates the insurance code or applicable regulations
10 during the next two years, the suspended portion of the fine referenced in paragraph 3 will be
11 reinstated. S&S also will be subject to any and all sanctions authorized by the insurance code
12 including imposition of additional fines or penalties.

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14 6. By signing this agreement, S&S understands and agrees that any failure
15 to comply with the conditions of this agreement will be grounds to revoke, suspend, or not
16 renew Alaska insurance license #8386.

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18 7. S&S understands that this agreement is not binding on the parties unless
19 and until the director signs the order approving the agreement.

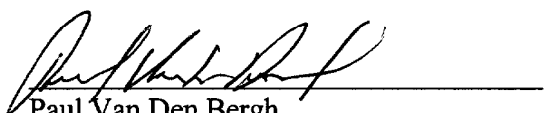
20
21 DATED: 5/24/06

DIVISION OF INSURANCE

22
23 By: 
24 Linda Brunette
25 Program Coordinator

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27 DATED: 5/18/2006

SEABURY & SMITH, INC.

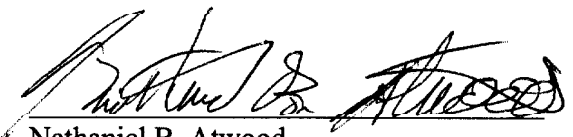
28
29 By: 
30 Paul Van Den Bergh
31 Compliance Officer

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Approved as to form and content:

DATED: 6/1/06

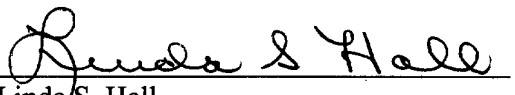
DAVID W. MARQUEZ
ATTORNEY GENERAL

By: 
Nathaniel B. Atwood
Assistant Attorney General

ORDER

IT IS ORDERED that this Stipulated Agreement and Order is adopted in full resolution of the issues in this case, and shall constitute the final order in this matter.

DATED this 2nd day of June, 2006.


Linda S. Hall
Director of Insurance