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STATE OF ALASKA

DEPARTMENT OF COMMERCE, COMMUNITY, AND ECONOMIC DEVELOPMENT

DIVISION OF INSURANCE

In the Matter of:)
)
 STEWART SMITH EAST, INC. and)
 ROBERT F. WRIGHT,)
)
 Licensees.)
 _____)

Case No. D 06-11

STIPULATED AGREEMENT AND ORDER

The State of Alaska, Department of Commerce, Community, & Economic Development, Division of Insurance (division) and Stewart Smith East, Inc. (SSE), and its successor in Alaska, AmWINS Insurance Brokerage of CA, LLC, d/b/a AmWINS Brokerage of Washington (AmWINS), and Robert F. Wright (Mr. Wright), the licensees in this case, stipulate and agree that all allegations of violations AS 21.27.010; 21.27.380; 21.27.410; 21.27.440; AS 21.34.080; 21.34.170; 21.34.180; 21.34.190; and AS 21.36.195 that are included in the Accusation against the licensees or that could have been part of this action are resolved by agreement as follows:

1. SSE has filed the requisite monthly surplus lines reports and fully paid the taxes and fees for the year 2005 that were referenced in the Accusation.
2. SSE and Mr. Wright agree to pay a civil penalty under AS 21.27.440(a) of \$52,266.20 for the unlicensed activity that occurred between April 25, 2005 and October 10, 2006, with \$30,266.20 suspended. The unsuspended portion of the penalty is payable within six months from the date SSE and Mr. Wright are notified that the director has signed the order approving this agreement.

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3. SSE and Mr. Wright intentionally are no longer licensed to transact insurance business in Alaska. AmWins is currently licensed in Alaska under firm producer and surplus lines license #20343.

4. In the event AmWINS violates the insurance code or applicable regulations during the next two years, the suspended portion of the penalty referenced in paragraph 2 will be reinstated. AmWINS also will be subject to any and all sanctions authorized by the insurance code including imposition of additional fines or penalties.


5. By signing this agreement, SSE, Mr. Wright, and AmWINS understand and agree that any failure to comply with the conditions of this agreement will be grounds to revoke, suspend, or not renew Alaska insurance license #20343.

6. SSE, Mr. Wright, and AmWINS understand that this agreement is not binding on the parties unless and until the director signs the order approving the agreement.

7. By executing the order approving this agreement, the director dismisses the Accusation issued in this matter.

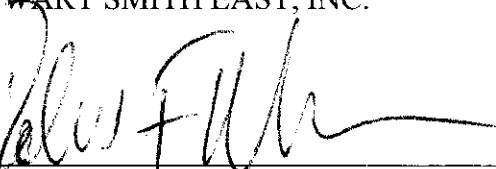
DATED: 4/12/07

TALIS COLBERG
ATTORNEY GENERAL

By: 
Nathaniel B. Atwood
Assistant Attorney General

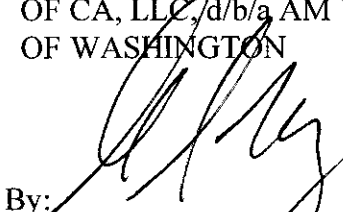
DATED: 4-10-07

STEWART SMITH EAST, INC.

By: 
Robert F. Wright
Compliance Officer

1 DATED: 3/27/07

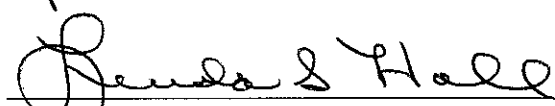
2 AM WINS INSURANCE BROKERAGE
3 OF CA, LLC, d/b/a AM WINS BROKERAGE
4 OF WASHINGTON

5 By: 
6 George S. Maggay
7 Compliance Officer

8
9 **ORDER**

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

12 DATED this 13th day of April, 2007 at Anchorage, Alaska.

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15 Linda S. Hall
16 Director of Insurance

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STATE OF ALASKA
DEPARTMENT OF COMMERCE, COMMUNITY, AND ECONOMIC DEVELOPMENT
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STATE OF ALASKA

DEPARTMENT OF COMMERCE, COMMUNITY, AND ECONOMIC DEVELOPMENT

DIVISION OF INSURANCE

In the Matter of:)
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STEWART SMITH EAST, INC. and)
ROBERT F. WRIGHT,)
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Licensees.)
_____)

Case No. D 06-11

ACCUSATION

Linda S. Hall, Director of the Division of Insurance, Department of Commerce,
Community, and Economic Development, State of Alaska, states and alleges as follows:

1. Stewart Smith East, Inc. (SSE) holds firm producer and surplus lines license #18982.
2. Robert F. Wright (Mr. Wright) holds individual in a firm producer and surplus lines license #36553.
3. Several times in 2005, the division wrote to Mr. Wright advising him that SSE had failed to file the monthly surplus lines reports required under AS 21.34.080, 21.34.170, and AS 21.36.195. The division also advised that taxes and filing fees were due under AS 21.34.180 and 21.34.190.
4. On or about April 20, 2005, the division received the license renewal application for SSE, one day after the license had lapsed. On April 22, the division notified the firm of the lapsed license and Mr. Wright that his license would lapse unless he complied with the licensing requirements to maintain his license. The division also notified SSE on April 25 of the requirements necessary for the firm to reinstate its license, which included filing the

1 outstanding surplus lines reports referenced above. Mr. Wright's license subsequently lapsed
2 on September 15, 2005.

3
4 5. Between April and November 2005, there were numerous
5 communications between the division and firm representatives, including Mr. Wright, but the
6 applications and requirements for the reinstatement of the SSE license and for Mr. Wright's
7 license were not completed.

8 6. Again on January 11, 2006, the division wrote a letter to Mr. Wright
9 outlining the requirements necessary to reinstate both licenses. Although a response was
10 received, the filing was still incomplete. On April 18, 2006, the division faxed to Mr. Wright a
11 list of the items necessary for the division to reinstate the licenses. A transmission report
12 indicates that the fax went through. To date, the division has received no further
13 communication from Mr. Wright or any other representative of SSE.

14 7. SSE has failed to pay taxes and fees for the year 2005, as required under
15 AS 21.34.180 and 21.34.190, in the amount of \$5,697.47.

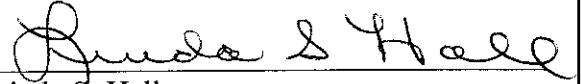
16 8. For its failure to file monthly surplus lines reports and to pay the required
17 taxes and fees cited above, SSE is in violation of AS 21.34.080, 21.34.170, 21.34.180, and
18 AS 21.36.195, and is subject to late payment fees under AS 21.34.180 and 21.34.190, and civil
19 penalties under AS 21.34.230.

20 9. The violations described in paragraphs 3 through 8 above subject SSE's
21 and Mr. Wright's licenses to revocation under AS 21.27.380, 21.27.410, and 21.27.440.

22 WHEREFORE, the Division of Insurance seeks an order revoking Stewart Smith
23 East, Inc.'s firm producer and surplus lines license #18982 and Robert F. Wright's individual in
24 a firm producer and surplus lines license #3655 and assessing Stewart Smith East, Inc. unpaid
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1 taxes and filing fees in the amount of \$5,697.47, late payment fees under AS 21.34.180 and
2 21.34.190, and civil penalties under AS 21.34.230.

3 DATED this 20th day of September, 2006 at Anchorage, Alaska.

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7 Linda S. Hall
8 Director

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DEPARTMENT OF COMMERCE, COMMUNITY, AND ECONOMIC DEVELOPMENT
DIVISION OF INSURANCE
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