

STATE OF ALASKA  
DEPARTMENT OF COMMERCE, COMMUNITY AND ECONOMIC DEVELOPMENT  
DIVISION OF INSURANCE  
550 WEST SEVENTH AVENUE, SUITE 1560  
ANCHORAGE, ALASKA 99501-3567  
PHONE: (907) 269-7900  
FAX: (907) 269-7910  
TDD: (907) 465-5437

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STATE OF ALASKA

DEPARTMENT OF COMMERCE, COMMUNITY, AND ECONOMIC DEVELOPMENT

DIVISION OF INSURANCE

In the Matter of: )  
 )  
DENALI ALASKAN INSURANCE, LLC, )  
 )  
Licensee. )  
\_\_\_\_\_ )

Case No. D 12-06

STIPULATED AGREEMENT AND ORDER

The Division of Insurance (division) and Denali Alaskan Insurance, LLC  
(Denali), the licensee in this case, stipulate and agree to the following:

I. BACKGROUND

- A. Denali holds surplus lines broker and firm insurance producer license #27950.
- B. Under AS 21.06.130, on January 11 through 13, 2012, the division performed a limited and targeted premium tax audit of Denali covering the period of January 1, 2009 through December 31, 2010. The audit was completed and a report and order approving the report were issued May 4, 2012 under number TA 12-02. Both were sent to Denali on May 8, 2012.
- C. The audit report identified 67 violations of AS 21.27 and AS 21.34 that are within the control of Denali to correct in order to comply with Alaska insurance laws.
- D. The violations of AS 21.27 and AS 21.34 subject Denali to civil penalties under AS 21.27.440 and AS 21.34.230.

1 II. TERMS OF AGREEMENT

2 1. The division agrees that any future audit performed on Denali related  
3 hereto will cover calendar years starting with 2013 or later but not any year before 2013.

4 2. Denali agrees to pay a civil penalty under AS 21.27.440 and  
5 AS 21.34.230 in the amount of \$50,000, with \$25,000 suspended. The unsuspended penalty is  
6 payable within three months from the time that Denali is notified that the director has signed  
7 the order approving this agreement.

8 3. In the event Denali violates the Alaska insurance laws during the next  
9 two calendar years, the suspended portion of the penalty referenced in paragraph 2 will be  
10 reinstated. Denali also will be subject to any and all sanctions authorized by the insurance laws  
11 including imposition of additional penalties.

12 4. By signing this agreement, Denali understands and agrees that any failure  
13 to comply with the terms of this agreement may be grounds to revoke, suspend, or non-renew  
14 Alaska surplus lines broker and firm insurance producer license #27950.

15 5. Denali understands that this agreement is not binding on the parties  
16 unless and until the director signs the order approving the agreement.

17 DATED: 6/13/12

18 DIVISION OF INSURANCE

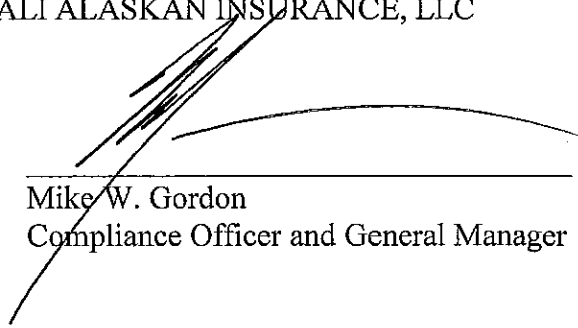
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DATED: 6/8/2012

DENALI ALASKAN INSURANCE, LLC

By:

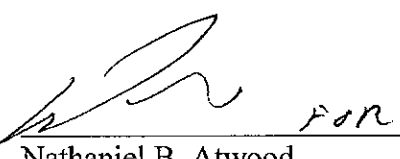
  
Mike W. Gordon  
Compliance Officer and General Manager

Approved as to form and content:

DATED: 6/19/12

MICHAEL C. GERAGHTY  
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 19<sup>th</sup> day of June, 2012.

  
Bret S. Kolb  
Director