

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

DEPARTMENT OF COMMERCE, COMMUNITY, AND ECONOMIC DEVELOPMENT

DIVISION OF INSURANCE

In the Matter of:)
)
BROWN & BROWN OF WASHINGTON, INC.,)
)
 Licensee.)
_____)

Case No. D 12-11

STIPULATED AGREEMENT AND ORDER

The Division of Insurance (division) and Brown & Brown of Washington, Inc. (Brown), the licensee in this case, stipulate and agree to the following:

I. BACKGROUND

- A. Brown holds surplus lines broker and firm insurance producer license #10681.
- B. Under AS 21.06.130, on September 26 and 27, 2011, the division performed a limited and targeted premium tax audit of Brown 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 March 27, 2012 under number TA 11-02. Both were sent to Brown on March 27, 2012.
- C. The audit report identified 34 violations of AS 21.34 that are within the control of Brown to correct in order to comply with Alaska insurance laws.
- D. The violations of AS 21.34 subject Brown to civil penalties under AS 21.34.230.

1 II. TERMS OF AGREEMENT

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

4 2. Brown agrees to pay a civil penalty under AS 21.34.230 in the amount of
5 \$60,000, with \$30,000 suspended. The unsuspended penalty is payable within three months
6 from the time that Brown is notified that the director has signed the order approving this
7 agreement.
8

9 3. In the event Brown violates the Alaska insurance laws during the next
10 two calendar years (2013 and 2014), regardless of when the violation is discovered, the
11 suspended portion of the penalty referenced in paragraph 2 will be reinstated. Brown also will
12 be subject to any and all sanctions authorized by the insurance laws including imposition of
13 additional penalties.

14 4. By signing this agreement, Brown understands and agrees that any failure
15 to comply with the terms of this agreement may be grounds to revoke, suspend, or non-renew
16 Alaska surplus lines broker and firm insurance producer license #10681.

17 5. Brown understands that this agreement is not binding on the parties
18 unless and until the director signs the order approving the agreement.
19

20
21 DATED: 8/29/12

DIVISION OF INSURANCE

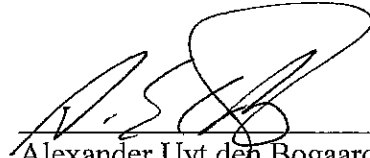
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23 By: Rebecca Nesheim
24 Rebecca Nesheim
25 Tax Auditor
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DATED: 8-23-12

BROWN & BROWN OF WASHINGTON, INC.

By:



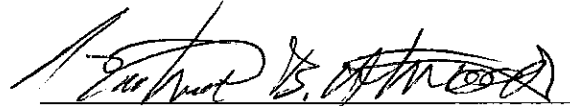
Alexander Uyt den Bogaard
Executive Vice President

Approved as to form and content:

DATED: 8/31/12

MICHAEL C. GERAGHTY
ATTORNEY GENERAL

By:

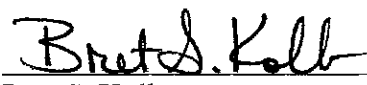


Nathaniel B. Atwood
Assistant Attorney General

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 31st day of August, 2012.



Bret S. Kolb
Director