

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

In the Matter of:)
)
GRIFFIN UNDERWRITING SERVICES,)
DIVISION OF COCHRANE GRIFFIN &)
COMPANY, INC.)
)
Licensee)
_____)

Case No. D 14-02

STIPULATED AGREEMENT AND ORDER

The Division of Insurance (division) and Griffin Underwriting Services, Division of Cochrane Griffin & Company, Inc. (Griffin), the licensee in this case, stipulate and agree to the following:

I. BACKGROUND

A. Griffin holds surplus lines broker and managing general agent license number 8034.

B. Under AS 21.06.130, the division performed a limited and targeted premium tax audit of Griffin's surplus lines business for the years January 1, 2011 through December 31, 2012. The audit was completed and a report and order approving the report were issued on November 21, 2013 under TA 13-04. Both were sent to Griffin on November 26, 2013.

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2 C. Under one finding in the audit report, nine violations of AS 21.34 were identified
3 that are within the control of Griffin to correct in order to comply with Alaska insurance laws.

4
5 D. The violations of AS 21.34 subject Griffin to civil penalties under AS 21.34.230.

6 II. TERMS OF AGREEMENT

7 1. The division agrees that any further audit performed on Griffin related hereto will
8 cover calendar years starting with 2015 or later but not any year before 2015.

9
10 2. Griffin agrees to pay a civil penalty under AS 21.34.230 in the amount of \$10,000,
11 with \$5,000 suspended. The unsuspended penalty of \$5,000 is payable within three months
12 from the time that Griffin is notified that the director has signed the order approving this
13 agreement.

14
15 3. In the event Griffin violates the Alaska insurance laws during the next two
16 calendar years (2015 and 2016), the suspended portion of the penalty referenced in paragraph 2
17 will be reinstated. Griffin also will be subject to any and all sanctions authorized by the
18 insurance laws including imposition of additional penalties.

19 4. By signing this agreement, Griffin understands and agrees that any failure to
20 comply with the terms of this agreement may be grounds to revoke, suspend, or non-renew
21 Alaska surplus lines broker and managing general agent license number 8034.

22
23 5. Griffin understands that this agreement is not binding on the parties unless and
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until the director signs the order approving the agreement.

DATED: 2/7/14

DIVISION OF INSURANCE

By: Rebecca Nesheim
Rebecca Nesheim
Tax Auditor

DATED: _____

GRIFFIN UNDERWRITING SERVICES,
DIVISION OF COCHRANE GRIFFIN &
COMPANY, INC.

By: John C. Griffin
John C. Griffin
Compliance Officer

Approved as to form and content:

DATED: 2/10/14

MICHAEL C. GERAGHTY
ATTORNEY GENERAL

By: Daniel Wilkerson
Daniel Wilkerson
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 12 day of February, 2014.

Marty Hester
Marty Hester
Acting Director