

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26

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

In the Matter of:)
)
SUNDERLAND MARINE INSURANCE CO. LTD.)
(US BRANCH))
NAIC NO. 10838)
_____)

Case No. D 15-12

STIPULATED AGREEMENT AND ORDER

The Division of Insurance (division) and Sunderland Marine Insurance Co. Ltd.
(US Branch) ("SMI-US"), the company in this case, stipulate and agree to the following:

I. BACKGROUND

A. AS 21.69.390(a) requires a domestic insurer to have and maintain a place of business in this state, and to keep in this state and in its principal place of business a complete record of its assets, transactions, and affairs.

B. AS 21.69.390(e) provides that a domestic insurer may change the place of business or the location of records with the written approval of the director. This provision requires the domestic insurer to submit to the director any change in the place of business and the location of records 60 days before the relocation.

C. On April 16, 2015, the division received in its Juneau office a letter dated April 10, 2015 from Locke Lord LLP, counsel for SMI-US, advising the division that as of April 10, 2015 SMI-US was relocating its head office to a new address.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26

D. Proper notice of the change in address of the home office and relocation of the records of SMI-US was not given 60 days in advance of the move as required under AS 21.69.390(e).

E. SMI-US also failed to request and obtain the approval of the director to change its place of business or the location of its records as required under AS 21.69.390(e).

F. Under AS 21.97.020, the director following a hearing may impose a civil penalty of not more than \$2,500 for a violation of a provision of AS 21.

II. TERMS OF AGREEMENT

1. For the AS 21.69.390(e) violations, SMI-US waives its right to a hearing and agrees to pay a civil penalty under AS 21.97.020 in the amount of \$2,500 with \$1,250 suspended.

2. In the event that SMI-US violates Alaska insurance laws during the next two years, the suspended portion of the penalty referenced in paragraph one will be reinstated. SMI-US will also be subject to any and all sanctions authorized by the insurance laws including the imposition of additional penalties.

3. SMI-US understands that this agreement is not binding on the parties unless and until the director signs the order approving the agreement.

DATED: 8/10/2015

DIVISION OF INSURANCE

By: Maxine Froemling
Maxine Froemling
Chief Financial Examiner

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26

DATED: July 27, 2015


SUNDERLAND MARINE
INSURANCE COMPANY CO. LTD.

By: 
Lee Williamson
Group Compliance Director

Approved as to form and content:

DATED: 8/10/15

CRAIG W. RICHARDS
ATTORNEY GENERAL

By: 
Erin Egan
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 12th day of August, 2015.


Lori Wing-Heier
Director