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STATE OF ALASKA

DEPARTMENT OF COMMERCE, COMMUNITY, AND ECONOMIC DEVELOPMENT

DIVISION OF INSURANCE

In the Matter of:)
)
)
Pacific International Underwriters Inc)
)
Licensee)
_____)

Case No. D 24-01a

STIPULATED AGREEMENT AND ORDER

The Division of Insurance (division) and Pacific International Underwriters Inc, (PIU), the licensee in this case, stipulate and agree to the following:

I. BACKGROUND

A. PIU holds surplus lines broker license number 7891.

B. Under AS 21.06.120, the division performed a limited and targeted premium tax audit of PIU’s surplus lines business for the period July 1, 2021 through June 30, 2023. The audit was completed and a report and order approving the report were issued on December 14, 2023, under TA 23-05. Both were sent to PIU on December 14, 2023.

C. Under one failed finding in the audit report, five violations of AS 21.34 were identified as being within the control of PIU to correct in order to comply with Alaska insurance laws.

D. These five violations of AS 21.34 subjects PIU to civil penalties under AS 21.34.230.

II. TERMS OF AGREEMENT

1 1. The division agrees that the next audit performed on PIU related hereto will exclude
2 any quarter ending before July 1, 2024.

3 2. For the TA 23-05 audit violations, PIU agrees to pay a civil penalty under AS
4 21.34.230 in the amount of \$10,000 with \$5,000 suspended. The unsuspended penalty of \$5,000 is
5 payable within three months of the date that PIU is notified that the director has signed the order
6 approving this agreement.

7 3. In the event PIU is found to have violated the Alaska insurance laws during the next
8 audit resulting in failed findings, the suspended portion of the penalty referenced in paragraph 2
9 will be reinstated. PIU also will be subject to any and all sanctions authorized by the insurance
10 laws including imposing additional penalties.

11 5. By signing this agreement, PIU understands and agrees that any failure to comply with
12 the terms of this agreement may be grounds to revoke, suspend, or non-renew Alaska surplus lines
13 broker license number 7891.

14 6. PIU understands that this agreement is not binding on the parties unless and until the
15 director signs the order approving the agreement.

16 DATED: 1/30/2024

DIVISION OF INSURANCE

17 By: Rebecca Nesheim
18 Rebecca Nesheim
19 Tax Auditor

20 DATED: 1/29/2024

Pacific International Underwriters Inc

21 By: Jillian Fassburg
22 Jillian Fassburg
23 Compliance Officer

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DATED: 2/6/23

TREG R. TAYLOR
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 8th day of February, 2024.

DocuSigned by:
Lori Wing-Heier
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Lori Wing-Heier
Director