



OFFICE OF
INSURANCE COMMISSIONER

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|------------------------------|---|---------------------------|
| In the Matter of |) | No. 13-226 |
| |) | |
| The Financial Examination of |) | FINDINGS, CONCLUSIONS, |
| SEATTLE OPERA |) | AND ORDER ADOPTING REPORT |
| |) | OF EXAMINATION |

A Domestic Charitable Gift Annuity Issuer.

BACKGROUND

An examination of the financial condition of **SEATTLE OPERA** (the Opera) as of June 30, 2012 was conducted by examiners of the Washington State Office of the Insurance Commissioner (OIC). The Opera holds a Washington certificate of exemption to issue charitable gift annuities. This examination was conducted in compliance with the laws and regulations of the state of Washington and in accordance with the procedures promulgated by the National Association of Insurance Commissioners and the OIC.

The examination report with the findings, instructions, and recommendations was transmitted to the Opera for its comments on June 25, 2013. The Opera's response to the report is attached to this order only for the purpose of a more convenient review of the response.

The Commissioner or a designee has considered the report, the relevant portions of the examiners' work papers, and the submissions by the Opera.

Subject to the right of the Opera to demand a hearing pursuant to Chapters 48.04 and 34.05 RCW, the Commissioner adopts the following findings, conclusions, and order.

FINDINGS

Findings in Examination Report. The Commissioner adopts as findings the findings of the examiners as contained in pages 1 through 6 of the report.

SEATTLE OPERA
Order Adopting Financial Examination Report
August 8, 2013

CONCLUSIONS

It is appropriate and in accordance with law to adopt the attached examination report as the final report of the financial examination of the **SEATTLE OPERA** and to order the Opera to take the actions described in the Comments and Recommendations section of the report. The Commissioner acknowledges that the Opera may have implemented the Comment and Recommendation prior to the date of this order. The Comment and Recommendation in the report is an appropriate response to the matters found in the examination.

ORDER

The examination report as filed, attached hereto as Exhibit A, and incorporated by reference, is hereby ADOPTED as the final examination report.

The Opera is ordered as follows, this being the Comment and Recommendation contained in the examination report on page 1.

1. It is ordered that the Opera consider revising its Conflict of Interest Policy to require an annual review of the Conflict of Interest Policy and an annual signing of a conflict of interest statement by key Opera employees. Comment and Recommendation 1, Examination Report, page 1.

ENTERED at Olympia, Washington, this 8th day of August, 2013.



MIKE KREIDLER
Insurance Commissioner

July 10, 2013

James T. Odiorne
Chief Deputy Insurance Commissioner
Office of Insurance Commissioner
PO Box 40255
Olympia, WA 98504-0255

Dear Mr. Odiorne,

We have reviewed your report, **Financial Examination of the Charitable Gift Annuity Business of Seattle Opera**, dated June 30, 2012.

I would like to respond to your comments and recommendations regarding the Opera's Conflict of Interest Policy. The Governance Committee of the Board of Directors of Seattle Opera does indeed review the Conflict of Interest Policy annually and all members of the Board are required to sign a new COI statement annually.

We do agree with your recommendation that key Opera employees should also sign an annual COI statement and we will implement that process once we have completed our regular COI review at our upcoming annual meeting of the Board.

We are very pleased that there were no other instructions or comments in the report.

Sincerely yours,

A handwritten signature in black ink, appearing to read "Kelly Tweeddale". The signature is fluid and cursive, with a large initial "K".

Kelly Tweeddale
Executive Director