

STATE OF WASHINGTON

MIKE KREIDLER
STATE INSURANCE COMMISSIONER

Phone: (360) 725-7000
www.insurance.wa.gov



DECLARATION OF MAILING

I declare under penalty of perjury under the laws of the State of Washington that on the date listed below, I mailed or caused delivery of a true copy of this document to Darren Oved, Esq. & Alan Singer, Esq.
DATED this 3 day of November at Tumwater, Washington.

Signed: [Signature]

OFFICE OF
INSURANCE COMMISSIONER

HEARINGS UNIT
Fax: (360) 664-2782

FILED

2010 NOV -3 A 10: 06

Hearings Unit, DIC
Patricia D. Petersen
Chief Hearing Officer

Patricia D. Petersen
Chief Hearing Officer
(360) 725-7105

Nicole Kelly
Paralegal
(360) 725-7002
NicoleK@oic.wa.gov

NOTICE OF RECEIPT OF DEMAND FOR HEARING

To: Mr. Darren Oved, Esq.
Oved & Oved LLP
Attorneys and Counselors at Law
101 Avenue of the Americas
15th Floor
New York, NY 10013-1991

From: Patricia D. Petersen, Chief Hearing Officer *[Signature]*

Date: November 2, 2010

Hearing: No. 10-0199

This is to advise you that on Monday, November 1, 2010, the Hearings Unit received and filed your Demand for Hearing.

Unless a date is entered at the end of this Notice, in approximately 5 working days, you will be contacted by the Hearings Unit to schedule a date for a first prehearing conference in this matter. This prehearing conference, which will be held by telephone, will include: 1) Darren Oved, Esq., on behalf of Respondents, and any client representatives and/or others at his request; 2) Alan Michael Singer, Esq., on behalf of the Insurance Commissioner, and any other representatives at his request; and 3) the Chief Hearing Officer. The purpose of the prehearing conference is to discuss basic procedure to be followed before, during and after the hearing. In addition, based upon the fact that the Order to Cease and Desist was by its terms made effective immediately, RCW 48.04.020(1) does not provide for an automatic stay of said Order. Respondents have asked, in the event an automatic stay is not available under RCW 48.04.020(1), that the undersigned grant them a discretionary stay pursuant to RCW 48.04.020(2). For this reason, at the first prehearing conference, the parties should be prepared to indicate whether they would like to submit written argument on this issue and/or present oral argument (by telephone if requested). Due to the nature of this issue, it is expected that presentation of any argument on the issue of a discretionary stay followed by a ruling thereon, will be scheduled promptly.



Notice of Receipt of Demand for Hearing
No. 10-0199
Page 2

For your information, we have included a brief outline of hearing procedure below.

If you have any questions concerning this Notice, please contact Nicole Kelly, Paralegal, Hearings Unit, at the above telephone number or address.

HEARING PROCEDURES – OFFICE OF THE INSURANCE COMMISSIONER

The following is a brief summary of hearing procedure. Following the prehearing conference referred to above, a Notice of Hearing will be entered advising you of the date scheduled for the hearing. The specific rules which govern the hearing procedure, which include many more details, can be found primarily at Chapter 34.05 RCW (the Administrative Procedure Act) and Chapter 10-08 WAC. Your hearing will be presided over by an administrative law judge who handles cases where actions of the Insurance Commissioner are appealed, such as yours. It will be conducted in a fairly formal manner; however, it will be as flexible as possible to accommodate the needs of the parties and any witnesses which may appear. You will be allowed to submit documents to support your version of the facts. Testimony may also be presented in the form of live witnesses, including the parties themselves; also, if requested, witnesses are allowed to testify over the telephone at the discretion of the judge.

The hearing normally begins with each party presenting an opening statement summarizing what they intend to prove; then each party presents its case-in-chief which includes presentation of documents and testimony, subject to cross examination by the opposing party; then the hearing concludes with each party presenting its closing arguments summarizing what they believe they have shown.

The judge is an individual who has not had any involvement with this case. The judge will hear and make the final decision in the case without any communication, input or review by the Insurance Commissioner or staff or any other individual who has knowledge of the case. The judge's final decision may 1) uphold the Commissioner's action; 2) reverse the Commissioner's action; or 3) impose penalties which are less than those contained in the Commissioner's action.

Please note that, pursuant to General Rule 24, Washington Rules of Court, attorneys representing individuals or entities in adjudicative proceedings in Washington, such as this proceeding, need not be licensed in Washington State.
