

05/31/2011



FILED

2011 MAY 31 P 1:58

State of Washington
Office of the Insurance
Alan Michael Singer
Legal Affairs Division

Hearings Unit, DIC
Patricia D. Peterson
Chief Hearing Officer

Re: Ralph G Taylor and Orion Insurance Group, Inc.
Proposed Consent Order No. 11-0123

Alan,

I have reviewed your proposed settlement and with all due respect I request that this matter go to a hearing. Due to the issue of what this order will do to the reputation of Orion as well as myself with regards to having a reprimand put on a formal record I feel that a hearing is the best resolution.

I feel that I have tried more than most agencies to be compliant with the law in regards to fee disclosure and I feel my agreement could be argued to be compliant. I have not tried to hide anything to the consumer in regards to our fees and the majority of consumers are more than willing to pay the fee. I have never had an issue with the commissioner's office and I feel that a guidance to adjust the agreement would have been better served to remedy this situation.

I would like this letter to act as a public records request to be able to get ready for the hearing. I would like a list of all complaints in regards to fees since July 1st 2009. I would like the files that were created in regards to those complaints. I would all files where a fee was evidently charged in the paperwork from July 1st 2009 that is in the possession of the office. I would like all emails between you and any supervisors in regards to Orion or the entities that I named that were charging fees. I would like the files of the agencies that you asked me to name and the disposition of their files.

I am not trying to be antagonistic in regards to this issue. I know of firms that were investigated that were charging fees that do not have the clients sign off and there was nothing done in respects to them. I know of agents, that were in the list of agents provided to you, who have charged \$40,000 dollar fees. I have provided one form to show that what I said is substantiated in regards to the other agencies charging fees. If you are going to enforce this issue I would like it to be across the board.

Fees are part of doing business. Costco charges a fee to their consumer to be able to access their insurance agency, which means they are non compliant because of regulations since they do not have a fee agreement. AARP charges a fee as well as all the other associations where you have to join their group to access their arranged insurance agreements. The banks who provide insurance at closing are non compliant because they are charging fees to their customers that they would not be able to do unless they sold their insurance product and they are not disclosing everything.

Orion is compliant in the surrounding states but not in WA due to irregularities in the codes. CA posts the form it wants its agents to use. I have spent an endless amount of hours on this issue with no end in sight. I would wish that there would be some way to resolve this issue similar to CA. I think time would be better spent just giving us the form you want us to use or giving guidance on what you want us to use versus being punitive when it is evident that we are not trying to mislead the consumer. It is as if the office looks at itself as a tool for retribution versus a tool for guidance on helping the system work.

I will be scheduling surgery for a torn ACL this week so if the issue goes to a hearing I would ask that it be sometime in August to give myself time to heal as well as time to review the public records. Once again I am not trying to be disrespectful of the office but I have been in this industry for a long time and I know what goes on in the marketplace and I know I am one of the more diligent in trying to be compliant.

Cordially,

A handwritten signature in black ink, appearing to read 'Ralph Taylor', with a stylized flourish extending from the top right.

Ralph Taylor

NORTHERN INVESTORS COMPANY

P.O. BOX 12909, SEATTLE, WA 98111

PHONE (206) 441-6171 * FAX (206) 441-3141

DENNY BUILDING 2200 6TH AVE., SUITE 513

DEFERRED PAYMENT OF PREMIUM AGREEMENT

NIC # 1515 04/14/2009 (0)

INSURED: ABLE COURIER SYSTEMS INC ATTN DEBI & STEVE GATTO ADDRESS: PO BOX 66435 SEATTLE, WA 98166	INSURANCE KIBBLE & PRENTICE a USI Company AGENCY NAME: PO BOX 370 ADDRESS: SEATTLE, WA 98111
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POLICY NUMBER	EXPIRATION DATE	INSURANCE COMPANY NAME AND ADDRESS	POLICY TERM IN MONTHS	PREMIUM
TBD	04/01/2010	SAFECO / LIBERTY MUTUAL	12	1,107.00
	04/01/2010	NATIONAL CASUALTY CO / CRC	12	49,277.00
52MSJO8613	04/01/2010	HARTFORD INS	12	4,157.00
	04/01/2010	KIBBLE & PRENTICE / BROKER FEE	12	2,500.00

ITEMIZATION OF AMOUNT FINANCED		A	TOTAL PREMIUM
<input type="checkbox"/> PERSONAL LINES <input checked="" type="checkbox"/> COMMERCIAL LINES <small>(Check appropriate box)</small>	A. TOTAL PREMIUMS		\$ 57,041.00
	B. 20 % OF PREMIUM (Including any and all taxes and fees)	\$ 11,408.20	B
	C. BALANCE PAYABLE TOTAL OF PAYMENTS		\$ 47,674.86
	D. FINANCE CHARGE	\$ _____	D
	E. AMOUNT FINANCED		\$ 45,832.80
TOTAL CASH PAYMENT REQUIRED		\$ 11,408.20	E

YOUR PAYMENT SCHEDULE WILL BE: NO ADVANCED NOTICE OF PAYMENTS WILL BE SENT						ANNUAL PERCENT. RATE
NO. OF PAYMENTS	AMOUNT OF INSTALLMENTS	WHEN PAYMENTS ARE DUE				
10	X \$ 4,767.49	MO. DUE DATE	BEGINNING	ENDING		
X	\$	10TH	05/10/2009	02/10/2010		
						8.25 %

In consideration of the loan made to the Insured by Northern Investors Company (herein referred to as "NIC"), the proceeds of which will be remitted to Insured above-named insurance agency or broker, the insured unconditionally promises to pay to NIC, at the address set forth above, the total of payments in box C above in accordance with the PAYMENT SCHEDULE, subject to the provisions set forth above. **THE INSURED HAS READ ALL OF THE PROVISIONS ON FOLLOWING PAGE HEREOF AND UNDERSTANDS THAT ALL SUCH TERMS ARE A PART OF THIS AGREEMENT.** The undersigned has executed this agreement and received a copy thereof on the date indicated below.

4/9/09 ABLE COURIER SYSTEMS INC
Date ATTN DEBI & STEVE GATTO
Printed name of Insured
Signature and title of Insured or their Authorized Agent

I, the undersigned, agent or broker, warrant and agree that the insured(s) has received a copy of this agreement, the terms are correct and the insured(s) signature(s) are genuine. The agent or broker agrees to return any funds required for the insured(s) and unexpired commissions to NIC.

Signature and title of Agent or Broker