



FILED

OFFICE OF
INSURANCE COMMISSIONER JUN 19 P 2:47
HEARINGS UNIT
Fax: (360) 664-2782

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

Hearings Unit, OIC
Kelly A. Carris
Patricia D. Petersen
Chief Presiding Officer
(360) 725-7002
KellyC@oic.wa.gov

BEFORE THE STATE OF WASHINGTON
OFFICE OF INSURANCE COMMISSIONER

In the Matter of)	Docket No. 12-0154 and
)	12-0335 (consolidated)
SOUNDPATH HEALTH, INC.)	
)	ORDER TERMINATING
Respondent.)	PROCEEDINGS

TO: Timothy J. Parker, Esq.
Carney Badley Spellman, P.S.
701 Fifth Avenue, Suite 3600
Seattle, WA 98104-7010

COPY TO: Mike Kreidler, Insurance Commissioner
James T. Odiorne, Chief Deputy Insurance Commissioner
Charles Brown, Acting Deputy Commissioner, Legal Affairs Division
Office of the Insurance Commissioner
PO Box 40255
Olympia, WA 98504-0255

By letter dated April 3, 2012, the Insurance Commissioner (OIC) notified Soundpath Health, Inc. (Soundpath) that OIC determined that Soundpath may be in a Financially Hazardous Condition as defined by WAC 284-16-300 through 284-16-320. The April 3 letter includes numerous detailed orders, including an order to stop writing new business. Subsequently, on April 5, 2012, the OIC notified Soundpath that it had been scheduled for a target financial examination, and on April 26, 2012, the OIC sent an email to Soundpath regarding a reinsurance agreement between Soundpath and Canada Life Assurance Company and directing Soundpath to record and report the associated transactions using deposit accounting methods and to amend its financial statements accordingly. On May 18, 2012, Soundpath, by and through its attorney Timothy J. Parker, Esq. of Carney Badley Spellman, P.S., filed a Demand for Hearing, challenging the findings and orders set forth in the above-referenced OIC communications, Docket No. 12-0154. This Demand for Hearing was transmitted to the undersigned on May 21, 2012. In its Demand



ORDER TERMINATING PROCEEDINGS

12-0154 and 12-0335 (consolidated)

Page - 2

for Hearing, Soundpath requested that the matter be presided over by an administrative law judge pursuant to RCW 48.04.010(5). Accordingly, on May 31, 2012 the undersigned, exercising administrative discretion, transferred this matter and all contents of the hearing file to the Office of Administrative Hearings (OAH) for hearing and the entry of an Initial Order.

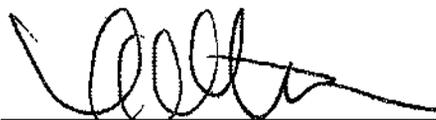
On December 12, 2012, Soundpath filed a second Demand for Hearing, this one challenging the Draft Target Financial Examination Report provided to Soundpath by the OIC by letter dated November 20, 2012. In its Demand, Soundpath again requested the matter be heard by the Office of Administrative Hearings. The undersigned ordered that this second matter, Docket No. 12-0335, be consolidated with Docket No. 12-0154, due to the commonality of the parties, facts and issues presented, and then transmitted the matter to the OAH.

The hearing of this matter was continued by the OAH administrative law judge at the joint request of the parties due to a possible sale of Soundpath that would affect or moot the issues pending in the administrative proceeding. On March 1, 2013, in a separate proceeding, the undersigned orally approved the sale of Soundpath, which approval was confirmed by written order filed March 5, 2013. On April 9, 2013, the OIC and Soundpath, by and through their respective attorneys, filed with the undersigned a signed Stipulation Withdrawing Hearing Request. A copy of the stipulated withdrawal is attached hereto and by this reference made a part hereof. The OAH administrative law judge entered a notice of case closure on April 15, 2013 and subsequently returned the case files to the undersigned on May 20.

Based upon the above activity,

IT IS HEREBY ORDERED that this proceeding, Docket Nos. 12-0154 and 12-0335 (consolidated), is hereby dismissed with prejudice.

ENTERED AT TUMWATER, WASHINGTON, this 18th day of June, 2013, pursuant to Title 48 RCW and specifically RCW 48.04 and Title 34 RCW and regulations applicable thereto.



PATRICIA D. PETERSEN, J.D.
Chief Presiding Officer

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 through normal office mailing custom, a true copy of this document to the following people at their addresses listed above: Timothy J. Parker, Esq., Mike Kreidler, James. T. Odiorne, and Charles Brown, Esq.,

DATED this 20th June day of May, 2013.



KELLY A. CAIRNS

STATE OF WASHINGTON
OFFICE OF ADMINISTRATIVE HEARINGS
FOR THE OFFICE OF INSURANCE COMMISSIONER

In the Matter of:

SOUNDPATH HEALTH, INC.

Respondent.

OAH Docket No. 2012-INS-0001

OIC No. 12-0335

Consolidated with No. 12-0154

STIPULATION WITHDRAWING
HEARING REQUESTS AND ORDER
TERMINATING ADJUDICATIVE
PROCEEDING

STIPULATION

Pursuant to RCW 34.05.060 and WAC 10.08.230(2)(a) through (c), the parties hereby stipulate and agree as follows in resolution of this matter:

1. The Office of Administrative Hearings has scheduled a hearing for April 29, 2013, relating to Soundpath Health, Inc.'s Request for Hearing filed with the Office of Insurance Commissioner on May 18, 2012 and its Request for Hearing filed with the Office of Insurance Commissioner on December 12, 2012.

STIPULATION WITHDRAWING
HEARING REQUESTS AND
TERMINATING ADJUDICATIVE
PROCEEDING - 1

CARNEY
BADLEY
SPELLMAN

LAW OFFICES
A PROFESSIONAL SERVICE CORPORATION
701 Fifth Avenue, Suite 3600
Seattle, WA 98104-7010
T (206) 622-8020
F (206) 467-8215

2. On October 26, 2012, the parties advised the Office of Administrative Hearings that a possible sale of Soundpath Health Inc. was pending and that a sale would affect or moot the issues pending in this administrative proceeding.

3. A hearing on the sale of Soundpath Health, Inc. was held before Judge Patricia Petersen of the Office of the Insurance Commissioner on March 1, 2013, and, on March ___, 2013, Judge Petersen issued an order approving the sale of Soundpath Health, Inc.

4. Therefore, the parties stipulate and agree that the hearing requests are withdrawn, that the hearing scheduled to commence before the Office of Administrative Hearings on April 29, 2013, may be cancelled, and that the Office of Administrative hearings may return the adjudicative files in this matter to the OIC chief Hearing Officer for entry of an order terminating this adjudicative proceeding.

5. The parties further stipulate and agree that the subjoined order terminating this adjudicative proceeding may be entered forthwith by the OIC chief Hearing Officer without further notice to either party.

DATED this 5 day of April, 2013.

CARNEY BADLEY SPELLMAN, P.S.

WASHINGTON OFFICE OF THE
INSURANCE COMMISSIONER

By 
Timothy J. Parker, WSBA # 8797
Attorney for Soundpath Health, Inc.

By 
Charles D. Brown, WSBA # 5555
Attorney for the Office of the Insurance
Commissioner

STIPULATION WITHDRAWING
HEARING REQUESTS AND
TERMINATING ADJUDICATIVE
PROCEEDING - 2

CARNEY
BADLEY
SPELLMAN

LAW OFFICES
A PROFESSIONAL SERVICE CORPORATION
701 Fifth Avenue, Suite 3600
Seattle, WA 98104-7010
T (206) 622-8020
F (206) 467-8215

ORDER

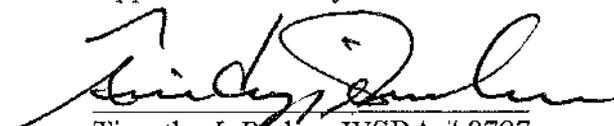
This matter having come on regularly before the undersigned Chief Hearing Officer of the State of Washington Office of Insurance Commissioner pursuant to the foregoing Stipulation, and the Chief Hearing Officer having reviewed said Stipulation and deeming herself fully advised in the premises, NOW, THEREFORE,

IT IS HEREBY ORDERED pursuant to the foregoing stipulation that the adjudicative proceeding in this matter is terminated and that OIC Docket Numbers 12-0335 and 12-0154 are hereby closed and dismissed.

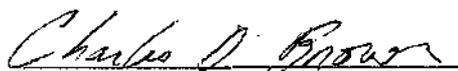
ENTERED at Tumwater, Washington this ____ day of April, 2013.

PATRICIA D. PETERSEN
Chief Hearing Officer
Office of Insurance Commissioner

Approved for Entry/ Notice of Presentation Waived:



Timothy J. Parker, WSBA # 8797
Attorney for Soundpath Health, Inc.



Charles D. Brown
OIC Staff Attorney

STIPULATION WITHDRAWING
HEARING REQUESTS AND
TERMINATING ADJUDICATIVE
PROCEEDING - 3

CARNEY
BADLEY
SPELLMAN

LAW OFFICES
A PROFESSIONAL SERVICE CORPORATION
701 Fifth Avenue, Suite 3600
Seattle, WA 98104-7010
T (206) 622-8020
F (206) 467-8215