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OFFICE OF
INSURANCE COMMISSIONER
HEARINGS UNIT

2013 MAY -1 P 12:39

Fax: (360) 664-2782

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

Hearings Unit, DIC
Kelly A. Cairns
Paralegal
(360) 725-7002
KellyC@oic.wa.gov

BEFORE THE STATE OF WASHINGTON
OFFICE OF INSURANCE COMMISSIONER

In the Matter of)	Docket No. 13-0096
)	
THE UNITY GROUP, INC.,)	NOTICE OF HEARING
)	
Licensee.)	
_____)	

TO: Robb Dale, Chief Executive Officer
The Unity Group, Inc.
P.O. Box X
Bellingham, WA 98227-1583

COPY TO: Mike Kreidler, Insurance Commissioner
James T. Odiome, Chief Deputy Insurance Commissioner
John F. Hamje, Deputy Commissioner, Consumer Protection Division
Kate Reynolds, Staff Attorney, Legal Affairs Division
Charles Brown, Deputy Commissioner, Legal Affairs Division
Office of the Insurance Commissioner
PO Box 40255
Olympia, WA 98504-0255

On March 29, 2013, the Insurance Commissioner (OIC) mailed a proposed Consent Order Levying a Fine, No. 13-0096, to The Unity Group, Inc. ("Unity Group"). Said Consent Order proposed the imposition of a fine in the amount of \$500 against Unity Group for violations of RCW 48.30.140. The OIC asserts that Unity Group engaged in illegal rebating by giving forty-nine gift cards worth fifty dollars apiece to existing insurance clients for referring business to the agency during the time period from July 2011 to August 2012, and by giving one client a prize of a hotel stay with a value over \$300 for the client's referrals.

In response to the proposed Consent Order, on April 8, 2013, Unity Group filed a Demand for Hearing to contest the OIC's action, asserting that the facts stated in the proposed consent order



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are incorrect, that Unity sent the gift cards to referring parties regardless of whether the referring party was an existing client or whether the referred party actually entered into an insurance contract with Unity, that no purchase of any kind was necessary, and that Unity Group's "Refer-a-Friend" program (described in the Demand for Hearing) does not provide any payments of a nature prohibited by RCW 48.30.140.

On April 24, 2013, the undersigned held a first prehearing conference in this matter, which included all parties. The OIC was represented by Kate Reynolds, Esq., Staff Attorney in the OIC's Legal Affairs Division. Unity Group was represented by Robb Dale, its Chief Executive Officer, and Judy Foster, its Chief Financial Officer. The undersigned reviewed procedure to be expected at hearing and answered all questions and concerns of the parties. The parties agreed that this hearing should be held on June 5, 2013. Of significance, the parties agreed to submit copies of the documents they intend to offer into evidence at hearing, along with their proposed witness lists, at least 10 days prior to the hearing date.

Accordingly, **YOU ARE HEREBY NOTIFIED that a hearing will be held commencing on Wednesday, June 5, 2013, at 10:00 a.m. Pacific Standard Time.** The purpose of this hearing, which will include all parties, is to consider whether there has been a violation of the insurance code by Unity Group warranting the imposition of a fine or other sanction.

The OIC will appear by and through Kate Reynolds, Staff Attorney in the Legal Affairs Division. Ms. Reynolds' address is Office of the Insurance Commissioner, Legal Affairs Division, P.O. Box 40255, Olympia, WA 98504-0255 and her telephone number is (360) 725-7179. Unity Group will appear pro se, represented by Robb Dale, its Chief Executive Officer, although Unity Group is advised that it may retain an attorney to represent the company at any time. Mr. Dale's business address is P.O. Box X, Bellingham, WA 98227 and his telephone number is (360) 647-9000.

Patricia D. Petersen, Esq., Presiding Officer, who serves as Chief Presiding Officer for the Office of the Insurance Commissioner, has been designated to hear and determine this matter. Her address is Office of Insurance Commissioner, P.O. Box 40255, Olympia, Washington 98504-0255. Her telephone number is (360) 725-7105. All interested individuals and entities who have questions or concerns concerning this proceeding should direct them to her paralegal, Kelly Cairns, at the same address. Ms. Cairns' telephone number is (360) 725-7002.

The hearing will be held under the authority granted by the Insurance Commissioner under Chapter 48.04 RCW. The basic facts relied upon are those set forth above, which are more specifically included in the OIC's above referenced proposed consent order and in the Unity Group's above-referenced Demand for Hearing.

The hearing will be governed by the Administrative Procedure Act, Chapter 34.05 RCW, and the model rules of procedure contained in Chapter 10-08 WAC. All parties may be represented at the hearing. They may examine witnesses and fully respond and present evidence and argument on all issues involved.

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As required by RCW 34.05.434(2)(i), you are advised that a party who fails to attend or participate in any stage of the proceeding may be held in default in accordance with Chapter 34.05 RCW.

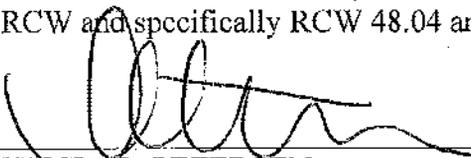
Pursuant to WAC 10-08-040(2) and in accordance with ch. 2.42 RCW, if a limited English speaking or hearing impaired or speech impaired party or witness needs an interpreter, a qualified interpreter will be appointed. There will be no cost to the party or witness therefore, except as may be provided by ch. 2.42 RCW. A Request for Interpreter form is attached to the original of this Notice, with instructions thereon.

This Notice is provided pursuant to RCW 48.04.010 and RCW 34.05.434.

Based upon the above activity,

IT IS HEREBY ORDERED that the adjudicative proceeding in this matter shall commence on June 5, 2013, at 10:00 a.m. Pacific Time, continuing on each successive day until terminated, in the Office of the Insurance Commissioner, 5000 Capitol Blvd., Tumwater, WA.

ENTERED AT TUMWATER, WASHINGTON, this 1st day of May, 2013, pursuant to Title 48 RCW and specifically RCW 48.04 and Title 34 RCW and regulations applicable thereto.

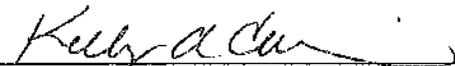


PATRICIA D. PETERSEN
Chief Presiding Officer

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: Robb Dale, Mike Kreidler, James T. Odiorne, John F. Hamje, Esq., Kate Reynolds, Esq., and Charles Brown, Esq.,

DATED this 1st day of May, 2013.



KELLY A. CAIRNS

HEARINGS UNIT
Fax: (360) 664-2782

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

Hearings Unit
Paralegal
(360) 725-7002
Hearings@oic.wa.gov

To request an interpreter, complete and mail this form to:

Chief Presiding Officer
Office of Insurance Commissioner
P.O. Box 40255
Olympia, WA 98504-0255

REQUEST FOR INTERPRETER

I am a party or witness in Matter No. 13-0096 before the Insurance Commissioner. I NEED AN INTERPRETER and request that one be furnished.

Please check the statements that apply to you:

I am a non-English-speaking person. I cannot readily speak or understand the English language. My primary language is _____ (insert your primary language). I need an interpreter who can translate to and from the primary language and English.

I am unable to readily understand or communicate the spoken English language because:

- I am deaf.
- I have an impairment of hearing.
- I have an impairment of speech.

[Please state below or on the reverse side any details which would assist the Commissioner or Presiding Officer in arranging for a suitable interpreter or in providing appropriate mechanical or electronic amplification, viewing, or communication equipment.]

Date: _____

Signed: _____

Please print or type your name: _____

Address: _____

Telephone: _____