

October 21, 2013

Edward J. Buyalos, Jr.
Chief Financial Auditor
State Corporation Commission
Bureau of Insurance
1300 E. Main Street
P.O. Box 1157 (23218)
Richmond, VA 23219

RECEIVED
OCT 21 2013
INSURANCE DIVISION
COMMONWEALTH OF VIRGINIA

**Re: Merger of Vision Service Plan (Washington) into Affiliate
Mid-Atlantic Vision Service Plan, Inc. (Virginia)**

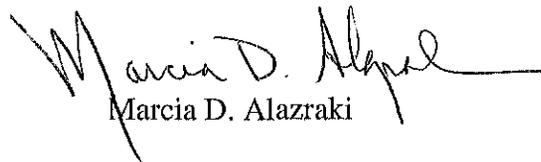
Dear Mr. Buyalos:

It was a pleasure speaking with you today. As discussed, enclosed is the letter dated April 18, 2013 addressed to Ron Pastuch on which you were copied. In addition, I enclose the form D that was filed with the State of Washington regarding the proposed merger of Vision Service Plan (Washington) into its Virginia domestic affiliate Mid-Atlantic Vision Service Plan, Inc. I also enclose an e-mail from the NAIC indicating that Mid-Atlantic is now authorized to do business in Washington, which was the first necessary step to effectuate the merger.

As we discussed, a Form D will be forward to you regarding the merger as well as all necessary merger documents. It is proposed that the merger be effective by July 1, 2014.

Should you have any questions, please contact me at my Albany, New York office (518) 431-6794.

Sincerely,


Marcia D. Alazraki

Enclosure
cc: Ronald Pastuch ✓
Stuart Thompson

April 18, 2013

Client-Matter: 46793-030

VIA U.S. MAIL

Ronald Pastuch
Holding Company Manger
Company Supervision Division
Washington State Office of the Insurance Commissioner
P.O. Box 40255
Olympia, Washington 98504-0255

Re: Vision Service Plan

Dear Mr. Pastuch:

It was a pleasure speaking with you regarding the above.

As we discussed, I represent Vision Service Plan, a not-for-profit health care service contractor which is a domestic insurance company of Washington ("VSP-Wa"). VSP-Wa only does business in Washington. The management of the various entities in its holding company system is planning a reorganization in order to simplify its structure and manage fewer entities.

It is contemplated that in order to accomplish this goal, VSP-Wa would merge into its affiliate, Mid-Atlantic Vision Service Plan, Inc a domestic of Virginia (Mid-Atlantic VSP). Mid-Atlantic is also a not-for-profit health care service contractor that is authorized to do business in Virginia and Maryland. The result of such a merger would be that Mid-Atlantic VSP would be the surviving entity.

Before such a merger may be accomplished however, Mid-Atlantic VSP would have to apply for and be approved for an extension of its license into Washington.

Mid-Atlantic VSP is a larger, better capitalized entity having direct written premiums of \$65,840,939, assets of \$80,566,377 and liabilities of \$11,245,916 as opposed to VSP-Wa where comparable figures are \$30,315,113; \$56,701,176; and \$5,458,236 respectively. All figures are as of year end December 31, 2012 (as shown on the NAIC website).

Ronald Pastuch
April 18, 2013
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Currently, VSP-Wa has 3,376 contracts and 827,388 member(employees) covered. These contracts and members would by virtue of the merger, become contracts and members of Mid-Atlantic VSP.

We anticipate filing all required documents necessary for approval of the extension of licensing authority for Mid-Atlantic VSP with the Washington Office of Insurance Commissioner and appreciate the assistance already expressed by you in our telephone conversation. Once such approval is granted, we would then file all necessary documents to effectuate the merger.

We do not expect that there will be a need for additional capital to be infused in Mid-Atlantic VSP as it takes on the additional business, duties and obligations of VSP-Wa as a result of the merger. Further, we also do not expect any change in operations, management, or change to administration and marketing agreements currently in place between Mid-Atlantic VSP and its Parent Vision Service Plan- California.

I have contacted the Virginia Insurance Department to advise of our plans. I spoke with Ed Buyalos, Jr.. He may be contacted as follows:

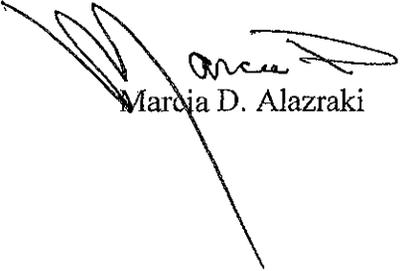
Edward J. Buyalos, Jr.
Chief Financial Auditor
Financial Regulation Division, Bureau of Insurance
State Corporation Commission
P.O. Box 1157
Richmond, VA 23218
(804) 371-9869
ed.buyalos@scc.virginia.gov

I look forward to working with you and Gayle Pasero on this project.

Ronald Pastuch
April 18, 2013
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I would appreciate a letter or email acknowledging this letter.

Sincerely,


Marcia D. Alazraki

cc: Stuart Thompson
Edward Buyalos, Jr.

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October 18, 2013

Mr. Ron Pastuch, Holding Company Manager
Office of Insurance Commissioner
Company Supervision Division
5000 Capitol Blvd. SE
Tumwater, WA 98501

**Re: Form D proposing to merge Vision Service Plan (Washington) into
affiliate Mid-Atlantic Vision Service Plan, Inc. (Virginia-domiciled corporation)**

Dear Mr. Pastuch:

Please find enclosed the above-captioned Form D filing requesting approval to merge Vision Service Plan (Washington) into its affiliate Mid-Atlantic Vision Service Plan, Inc., ("Mid-Atlantic VSP") a Virginia-domiciled corporation. Both corporations are licensed in Washington as limited service health care service contractors. The proposed effective date of the merger is July 1, 2014.

You may recall that our outside counsel Marcia Alazraki of the Manatt law firm contacted you several months ago to provide you with courtesy advance notice that this Form D proposal would be forthcoming. Mid-Atlantic VSP is financially strong and is already a multi-state insurer (writes insured business in Virginia and Maryland). This proposed merger would facilitate consolidation and streamlining within our Vision Service Plan group of companies (NAIC Group Number 1189).

I hope to work with you, and/or with the OIC generally, at your direction, to try to provide any additional information that you may require and to obtain your approval of the proposed merger.

Thank you for your consideration of this Form D filing.

Very truly yours,

STUART THOMPSON
Deputy General Counsel
stuart@vsp.com

Cc: Marcia Alazraki, Manatt law firm

**FORM D
PRIOR NOTICE OF A TRANSACTION**

Filed with the Insurance Commissioner of the State of

WASHINGTON

By

Vision Service Plan (California)

On Behalf of the Following Insurance Company:

Vision Service Plan (Washington)

One Union Square Building
600 University Street, Suite 2004
Seattle, WA 98101-1129

As of October 17, 2013

Name, Title, Address, and Telephone Number of Individual to Whom Notices and Correspondence Concerning this Statement Should be Addressed:

Stuart Thompson
Deputy General Counsel
Vision Service Plan
3333 Quality Drive
Rancho Cordova, CA 95670
(916) 851-4922

ITEM 1. IDENTITY OF PARTIES TO TRANSACTION

The names of the parties are: Vision Service Plan, ("VSPWA"), a Washington Limited Healthcare Service Contractor whose current home office address is 600 University Street, Suite 2004, Seattle, WA 98101-1129, and whose principal executive office address is 3333 Quality Drive, Rancho Cordova, CA 95670, and Mid-Atlantic Vision Service Plan, Inc. ("VSPVA"), a Virginia not-for-profit optometric services corporation, whose principal executive office address is 3333 Quality Drive, Rancho Cordova, CA 95670. The nature of VSPWA's business operations is the selling and administering of vision care plans. The nature of VSPVA's business operations is the selling and administering of vision care health plans. VSPWA and VSPVA are subsidiaries of Vision Service Plan, a California not for profit corporation (VSPCA). VSPVA has no subsidiaries.

ITEM 2. DESCRIPTION OF THE TRANSACTION

Notice is being given under RCW 48.31C.030(2)(d), which prohibits a Washington-domestic insurer from being merged into another entity without first notifying the insurance commissioner. The proposed transaction is to merge VSPWA into VSPVA, with a proposed effective date of July 1, 2014. There is no consideration used or to be used in the proposed transaction.

ITEM 3. SALES, PURCHASES, EXCHANGES, LOANS, EXTENSIONS OF CREDIT, GUARANTEES OR INVESTMENTS

There are no transactions involving sales, purchases, exchanges, loans, extensions of credit, guarantees or investments.

ITEM 4. LOANS OR EXTENSIONS OF CREDIT TO A NON-AFFILIATE

There are no transactions involving loans or extensions of credit to a non-affiliate.

ITEM 5. REINSURANCE

There are no transactions involving reinsurance.

ITEM 6. MANAGEMENT AGREEMENTS, SERVICE AGREEMENTS AND COST-SHARING ARRANGEMENTS

There are no transactions involving management agreements, service agreements, or cost-sharing agreements.

ITEM 7. IDENTITY OF OFFICERS AND DIRECTORS OF VSPVA

Directors: Donald Joseph Ball Jr.
James Michael McGrann
James Robinson Lynch

Officers: James Michael McGrann Secretary
James Robinson Lynch President
Lester Earl Passuello Treasurer

There are no conviction of crimes during the last 10 years for the officers and directors listed above.

Donald Joseph Ball Jr. is VSPCA's Chief Financial Officer. Prior to working at VSPCA, Donald Joseph Ball Jr. held the position of Chief Financial Officer at Raley's Corporation from 2009-2010.

James Michael McGrann is VSPCA's Vice President/Chief Technology Officer. Prior to working at VSPCA, James Michael McGrann held the position of President at Eyefinity, Inc. from 2009-2010. James Michael McGrann held the position of Chief Information Officer at Marchon Eyewear from 1999-2008.

James Robinson Lynch's current position is VSPCA's Chief Executive Officer. James Robinson Lynch began working for VSPCA in 2006.

Lester Earl Passuello is VSPCA's Controller/Vice President. Lester Earl Passuello began working for VSPCA in 1991.

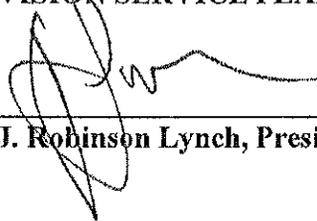
ITEM 8. SIGNATURE AND CERTIFICATION

SIGNATURE

Pursuant to the requirements of RCW 48.31C.030, Vision Service Plan has caused this notice to be duly signed on its behalf in the City of Rancho Cordova and State of California on the 17th day of October, 2013.

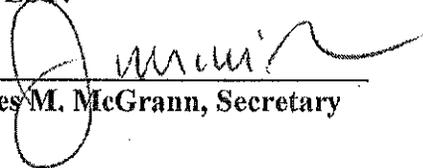
VISION SERVICE PLAN

By:



J. Robinson Lynch, President

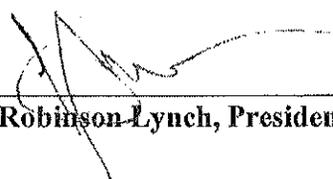
ATTEST:



James M. McGrann, Secretary

CERTIFICATION

The undersigned deposes and says that he has duly executed the attached notice dated as of October 17, 2013, for and on behalf of Vision Service Plan; that he is the President of such company and that he is authorized to execute and file such instrument. Deponent further says that he is familiar with such instrument and the contents thereof, and that the facts therein set forth are true to the best of his knowledge, information and belief.



J. Robinson Lynch, President