

MIKE KREIDLER
STATE INSURANCE COMMISSIONER



OFFICE OF
INSURANCE COMMISSIONER

HEARINGS UNIT
Fax: (360) 664-2782

FILED

2006 APR 26 P 3: 19

Hearings Unit, DIC
Patricia D. Petersen
Chief Hearing 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 of a true copy of this document to parties listed below
DATED this 26th day of April 2006 at Tumwater, Washington.

Signed: Wendy Galloway

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

Wendy Galloway
Administrative Assistant
WendyG@OIC.wa.gov.
(360) 725-7002

BEFORE THE STATE OF WASHINGTON
OFFICE OF INSURANCE COMMISSIONER

In the Matter of:

XELAN INSURANCE COMPANY, et. al.;
DOCTORS BENEFIT INSURANCE
COMPANY, LTD.; DOCTORS
INSURANCE SERVICES, INC.,

Unauthorized Entities, and

LEWIS DONALD GUESS, NIGEL J.
BAILEY, RICHARD ROBERT BRIGHT,
KIM MARTIN ATWATER, JOHN R.
PATTON, Esq., BOYCE H. GOFF, Sr.,
and CRAIG P. MORGAN,

Principals.

NO. D2005-99

FINAL ORDER
TERMINATING PROCEEDING

TO: Timothy J. Parker, Attorney at Law
Carney, Badley, Spellman. P.S.
700 Fifth Avenue, Suite 5800
Seattle, Washington 98104-5017

COPY TO: Mike Kreidler, Insurance Commissioner
Michael G. Watson, Chief Deputy Insurance Commissioner
John F. Hamje, Deputy Commissioner, Consumer Protection
Carol Sureau, Deputy Commissioner, Legal Affairs
Charles Brown, Sr. Staff Attorney, Legal Affairs
Office of the Insurance Commissioner
PO Box 40255
Olympia, WA 98504-0255



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On July 26, 2005, Xelan Insurance Company, et al., Doctors Benefit Insurance Company, Ltd., and Doctors Insurance Services, Inc. ("named entities") and Nigel J. Bailey; Richard Robert Bright; Kim Martin Atwater, John R. Patton, Esq., Boyce H. Goff, Sr. and Craig P. Morgan ("named individuals") filed a Request for Hearing in this matter, by and through Timothy J. Parker, Esq. of Carney, Badley, Spellman, P.S. of Seattle, Washington. The purpose of said Request for Hearing is to contest the Commissioner's Order to Cease and Desist entered June 13, 2005. It is noted that there has been no appearance made by or on behalf of Lewis Donald Guess and therefore as to this individual there has been no appeal of the subject Order to Cease and Desist.

Accordingly, on August 22, 2005, the undersigned held a first prehearing teleconference in this matter. The named entities and named individuals appeared by and through Mr. Parker and the Commissioner was represented by Charles Brown, Sr. Staff Attorney with his Legal Affairs Division. During said prehearing conference, the undersigned reviewed administrative procedure and addressed all questions and concerns of the parties. Finally, during the subject first prehearing teleconference, the parties agreed that this matter should be stayed for three months.

A second prehearing teleconference was held on December 14, 2005. The named entities and named individuals appeared by and through Timothy Parker, Esq. Steven Gaines, Esq., also appeared on behalf of Doctors Benefit Insurance Company Ltd. The Commissioner was represented by Mr. Brown. During this second prehearing conference, the parties agreed to allow for more time in order to receive a letter from the Internal Revenue Service as to the status of the activities of the named entities and individuals.

Accordingly, on March 31, 2006, a Declaration of John R. Patton was filed herein, and is attached hereto and is by this reference incorporated herein. Mr. Patton is the attorney and third party administrator for Doctors Benefit Insurance Company, Ltd. In said Declaration, Mr. Patton declares that a Closing Agreement was fully executed between Doctors Benefit Insurance Company, Ltd. and the Internal Revenue Service. The Declaration also states, among other things, that Doctors Benefit Insurance Company is no longer doing business anywhere, including the State of Washington, but rather exists solely to wind up its business and affairs to dissolve.

On March 31, 2006, the named entities and named individuals, by and through their attorney, Mr. Parker, filed a letter dated March 28, 2006, withdrawing the named entities' and named individuals' Request for Hearing. A copy of this letter is attached hereto and is by this reference incorporated herein.

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Based upon the above activity, and based upon an agreement by the named entities and individuals and the Commissioner that this proceeding should be terminated,

IT IS HEREBY DECLARED AND ORDERED that this proceeding is dismissed with prejudice and terminated.

THIS ORDER IS ENTERED AT TUMWATER, WASHINGTON, this 26th day of April, 2006.



PATRICIA D. PETERSEN
Presiding Officer

CARNEY
BADLEY
SPELLMAN

Timothy J. Parker

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March 28, 2006

Hearings Unit, DIC
Patricia D. Petersen
Chief Hearing Officer

Ms. Patricia Peterson, Chief Hearing Officer
Office of the Insurance Commissioner
P.O. Box 40255
Tumwater, WA 98504-0255

Re: *In the Matter of Xelan Insurance Company, et al.*
Cease and Desist Order No. D05-99

Dear Ms. Peterson:

Enclosed is a copy of the John R. Patton declaration. Mr. Brown has the original and will send it to you.

Mr. Brown and I are in agreement that this matter is concluded and that no hearing is required. Accordingly, I am withdrawing the Request for Hearing previously filed. You may close your file. Thank you for your courtesy.

Very truly yours,

CARNEY BADLEY SPELLMAN, P.S.



Timothy J. Parker

TJP:cw

Enclosures

cc: Mr. Charles Brown
Mr. Steven A. Gaines