

WOODMEN OF THE WORLD/OMAHA WOODMEN
LIFE INSURANCE SOCIETY
HOME OFFICE: OMAHA, NEBRASKA



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January 18, 2007

Ms. Wendy Galloway
Hearing Unit
State of Washington
Office of the Insurance Commission
PO Box 40255
Olympia, WA 98504-0255

Via US Mail & E-Mail wendyg@oic.wa.gov

JAMES M. GLEASON
*Vice President and
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S. JAMES PATTERSON
*Assistant Vice President and
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MATTHEW E. ELLIS
Assistant General Counsel

Dear Ms. Galloway:

Re: Proposed Consent Order No. D06-351

Woodmen of the World Life Insurance Society and/or Omaha Woodmen Life Insurance Society ("Woodmen") is in receipt of the Washington Office of Insurance Commissioner's ("IOC") letter of January 2, 2007 which contained a proposed Consent Order imposing a fine in relation to Woodmen's failure to file its calendar year 2004 Separate Accounts Statement.

Please accept this as Woodmen's formal request for a hearing.

Woodmen filed its 2004 Annual Statement electronically with the IOC on February 18, 2005 in accordance with the requirements of RCWA 48.36A.260. For unexplained reasons, Woodmen's 2004 Separate Accounts Statement was omitted from that electronic filing. Woodmen does not deny that its 2004 Separate Accounts Statement was not filed with the IOC by March 1, 2005. However, Woodmen is requesting equitable relief in relation to the amount of the fine proposed because:

- 1) The failure to file the 2004 Separate Accounts Statement was not willful. The omission was an oversight.
- 2) Woodmen submitted a paper copy of the Jurat page (with wet ink signatures) for both the 2004 Annual Statement and the Separate Accounts Statement on February 22, 2005 evidencing that Woodmen thought it had filed both statements on February 18, 2005.
- 3) Woodmen electronically submitted the 2004 Annual Statement and the Separate Accounts Statement to the NAIC on February 23, 2005. The data file was loaded to the NAIC Financial Data Repository on or about February 23, 2005 and was available to the IOC for review.
- 4) No harm occurred. Woodmen immediately submitted the 2004 Separate Accounts Statement on May 2, 2005 after receiving notice from the OIC on April 29, 2005 that the statement had not been filed on February 18, 2005.
- 5) Woodmen has regularly filed all other statements in a timely manner with the IOC.
- 6) The proposed fine is punitive and inconsistent with fines imposed upon commercial carriers with similar factual circumstances.

Page 2
January 18, 2007
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Sincerely,



Lynn L. Espeland
Assistant Vice President &
Associate General Counsel

nn

cc: Marcia G. Stickler, JD, LLM Via US Mail & E-Mail marcias@oic.wa.gov
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