

STATE OF WASHINGTON

Phone: (360) 725-7000

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MIKE KREIDLER  
STATE INSURANCE COMMISSIONER



OFFICE OF  
INSURANCE COMMISSIONER  
HEARINGS UNIT  
Fax: (360) 664-2782

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 19th day of July 2006 at Tumwater, Washington.

Signed: Wendy Galloway

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

Wendy Galloway  
Administrative Assistant  
(360) 725-7002  
[wendyg@oic.wa.gov](mailto:wendyg@oic.wa.gov)

BEFORE THE STATE OF WASHINGTON  
OFFICE OF INSURANCE COMMISSIONER

In the Matter of:	)	
	)	NO. D06-49 & D06-52
<b>JEFFERSON PILOT FINANCIAL</b>	)	
<b>INSURANCE COMPANY, and</b>	)	ORDER TERMINATING
<b>JEFFERSON PILOT LIFE</b>	)	PROCEEDINGS
<b>INSURANCE COMPANY,</b>	)	
	)	
An Authorized Insurer.	)	

To: Francis A. Sutherland, Vice-President & Insurance Counsel  
Jefferson Pilot Financial  
P.O. Box 21008  
Greensboro, N.C. 27420

Jerry Kindinger, Esquire  
Ryan, Swanson & Cleveland, PLLC  
1201 Third Avenue, Suite 3400  
Seattle, Washington 98101-3034

Copy To: Mike Kreidler, Insurance Commissioner  
Michael G. Watson, Chief Deputy Insurance Commissioner  
James T. Odiorne, Deputy Insurance Commissioner, Co. Supervision  
Carol Sureau, Deputy Commissioner, Legal Affairs  
Marcia Stickler, Staff Attorney, Legal Affairs  
Office of the Insurance Commissioner  
P.O. Box 40255  
Olympia, WA 98504-0255

ORDER TERMINATING PROCEEDINGS

NO. D06-49 & D06-52

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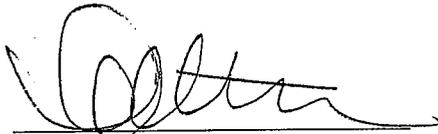
On April 18, 2006, Jefferson Pilot Financial Insurance Company (JPFIC), and its affiliate Jefferson Pilot Life Insurance Company (JPLIC) by and through its attorney Jerry Kindinger, of Ryan, Swanson & Cleveland of Seattle, filed a Demand for Administrative Hearing and Review dated April 13, 2006 requesting a hearing in the above captioned matter. JPFIC and JPLIC's request objected to the Insurance Commissioner's (OIC) March 29, 2006 Order Suspending Certificate of Authority in the above-referenced numbers, and sought review of this action. Marcia Stickler, Staff Attorney for Legal Affairs, appeared representing the OIC.

On May 4, 2006, JPFIC and JPLIC filed a letter dated April 25, 2006 advising that Jefferson Pilot Financial Insurance Company and its affiliated companies had resolved the pending issue and were therefore withdrawing its request for hearing. In May 2006, JPFIC and JPLIC filed Consent Orders Imposing a Fine executed by both parties. Copies of the referenced Consent Orders are attached hereto and are by this reference incorporated herein.

Based upon the above activity:

**IT IS HEREBY ORDERED** that the above-referenced proceedings, Docket No. D06-49 and D06-52 are terminated.

ENTERED this 23<sup>rd</sup> day of June, 2006, at Tumwater, Washington.



PATRICIA D. PETERSEN  
Chief Hearing Officer

MIKE KREIDLER  
STATE INSURANCE COMMISSIONER



OFFICE OF  
INSURANCE COMMISSIONER

In the Matter of )  
)  
)

No. D06-49

JEFFERSON PILOT FINANCIAL )  
INSURANCE COMPANY, )  
)  
)  
)

CONSENT ORDER  
IMPOSING A FINE

Findings of Fact:

1. Jefferson Pilot Financial Insurance Company ("Jefferson Pilot Financial") is authorized to conduct insurance business in Washington State. It issues life and disability insurance.
2. Jefferson Pilot Financial filed its 2004 April Supplemental financial reports with the Office of the Insurance Commissioner on April 29, 2005.

Conclusions of Law:

1. Jefferson Pilot Financial violated Revised Code of Washington § 48.05.250 and WAC § 284-07 by failing to file its year 2004 April Supplemental filing by the due date of April 1, 2005.
2. RCW 48.05.185 authorizes the Commissioner to impose a fine in lieu of or in addition to the suspension or revocation of an insurer's certificate of authority.

Consent to Order:

Jefferson Pilot Financial consents to the following, in order to resolve this matter without further legal or administrative proceedings. The Insurance Commissioner consents to resolve this matter in consideration of the insurer's payment of a fine as set forth below.

1. Jefferson Pilot Financial consents to the entry of the foregoing Findings of Fact and Conclusions of Law, and acknowledges its duty to comply fully with all applicable laws and regulations of the State of Washington. It waives further administrative or legal challenge to the actions taken, or to be taken, by the Insurance Commissioner, related to the subject matter of this Order.
2. Within thirty days of the entry of this Order, Jefferson Pilot Financial will pay to the Insurance Commissioner a fine in the amount of \$2,800 (two thousand eight hundred dollars).

3. Failure to pay the fine in full within thirty days of the entry of this order will constitute grounds for suspension or revocation of the certificate of authority held by Jefferson Pilot Financial in Washington State. It will also result in a civil action being brought by the Attorney General on behalf of the Insurance Commissioner, to recover the fine.

Executed this 2 day of May, 2006.

JEFFERSON PILOT FINANCIAL INSURANCE COMPANY

By: Frank Sutherland

Printed Name: FRANK SUTHERLAND

Printed Corporate Title: VICE PRESIDENT + INSURANCE COUNSEL

Pursuant to the foregoing Findings of Fact, Conclusions of Law, and Consent to Order, the Insurance Commissioner orders as follows:

Order:

1. Jefferson Pilot Financial Insurance Company is ordered to pay, within thirty days of the entry of this order, a fine in the amount of \$2,800 (two thousand eight hundred dollars).
2. Failure to pay the fine timely and in full will constitute grounds for suspension or revocation of the certificate of authority held by the insurer in Washington State. It will also result in a civil action being brought by the Attorney General on behalf of the Insurance Commissioner, to recover the fine.

Executed this 3<sup>rd</sup> day of May, 2006

MIKE KREIDLER  
Insurance Commissioner

By: Marcia G. Stickler  
Marcia G. Stickler  
Legal Affairs Division

MIKE KREIDLER  
STATE INSURANCE COMMISSIONER



OFFICE OF  
INSURANCE COMMISSIONER

In the Matter of )

No. D06-52

JEFFERSON PILOT LIFE )  
INSURANCE COMPANY, )

CONSENT ORDER  
IMPOSING A FINE

Findings of Fact:

1. Jefferson Pilot Life Insurance Company ("Jefferson Pilot Life") is authorized to conduct insurance business in Washington State. It issues life and disability insurance.
2. Jefferson Pilot Life filed its 2004 April Supplemental financial reports with the Office of the Insurance Commissioner on April 29, 2005.

Conclusions of Law:

1. Jefferson Pilot Life violated Revised Code of Washington § 48.05.250 and WAC § 284-07 by failing to file its year 2004 April Supplemental filing by the due date of April 1, 2005.
2. RCW 48.05.185 authorizes the Commissioner to impose a fine in lieu of or in addition to the suspension or revocation of an insurer's certificate of authority.

Consent to Order:

Jefferson Pilot Life consents to the following, in order to resolve this matter without further legal or administrative proceedings. The Insurance Commissioner consents to resolve this matter in consideration of the insurer's payment of a fine as set forth below.

1. Jefferson Pilot Life consents to the entry of the foregoing Findings of Fact and Conclusions of Law, and acknowledges its duty to comply fully with all applicable laws and regulations of the State of Washington. It waives further administrative or legal challenge to the actions taken, or to be taken, by the Insurance Commissioner, related to the subject matter of this Order.
2. Within thirty days of the entry of this Order, Jefferson Pilot Life will pay to the Insurance Commissioner a fine in the amount of \$2,800 (two thousand eight hundred dollars).

