

FILED

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BEFORE THE STATE OF WASHINGTON  
OFFICE OF ADMINISTRATIVE HEARINGS  
FOR THE OFFICE OF INSURANCE COMMISSIONER

Hearings Unit, DIC  
Patricia D. Petersen  
Chief Hearing Officer

|                                |   |                               |
|--------------------------------|---|-------------------------------|
| IN THE MATTER OF               | ) | NO. D07-0333                  |
|                                | ) |                               |
|                                | ) | STIPULATION AND AGREED        |
|                                | ) | ORDER DISMISSING ADJUDICATIVE |
| United of Omaha Life           | ) | PROCEEDING AND OIC DOCKET NO. |
| Insurance Co. &                | ) | D07-0333                      |
| Mutual of Omaha Insurance Co., | ) |                               |
|                                | ) |                               |
|                                | ) |                               |
| An Authorized Insurer.         | ) |                               |

Pursuant to RCW 34.05.060 and WAC 10.08.230(2)(b), the Office of Insurance Commissioner ("OIC"), by and through its designated representative, Thomas Rowland, and United of Omaha Life Insurance Company & Mutual of Omaha Insurance Company ("United"), by and through its undersigned representatives and its counsel, Jeffrey Gingold, hereby stipulate and agree to resolve this matter as follows:

1. United is a life and disability insurer licensed to do business in the State of Washington. Among coverages offered by United to Washington residents are life insurance policies, including such policies insuring the lives of juveniles.

2. On or about November 9, 2007, the OIC filed a Notice of Hearing with its Hearings Unit seeking to impose a fine of \$10,000 upon United for alleged failure to comply with requirements of RCW 48.23.345 by failing to develop and implement underwriting standards and procedures that were designed to detect and prevent the purchase of juvenile life insurance for speculative or fraudulent purposes.

3. On or about November 19, 2007, pursuant to RCW 48.04.010(5), United (a) denied that it violated RCW 48.23.345, and (b) requested that the matter be presided over by an administrative law judge assigned under Chapter 34.12 RCW. As such, the matter was transferred from the OIC's Hearings Unit to the Office of Administrative Hearings ("OAH") and was assigned OAH Docket No. 2007-INS-0007.

4. The parties agree to fully settle this matter as follows:

4a. United will review OIC's draft proposed Juvenile Life Insurance Rules (the, "Draft Rules") promulgated by OIC pursuant to RCW 48.23.345 and RCW 48.02.060(3) (a), develop comments, observations and suggestions that include United's concerns, suggested wording changes, substantive observations relating to the content of the draft rule, and alternatives that OIC may wish to consider. United will do

so in good faith with the intent of providing candid, helpful input to OIC for its use in refining the rule within the parameters of existing legislation.

4b. OIC understands and agrees that United's comments, observations and commitments pursuant to this Stipulation and Order are limited to United's views only and do not represent the views of any other insurer or the insurance industry. OIC and United recognize that depending upon the final form of the Draft Rules, other insurers or representatives of the insurance industry may object to or oppose the rule making.

4c. In order to facilitate candid input from United concerning the Draft Rules, OIC confirms that any juvenile life insurance rules that OIC implements will be of general application to all carriers issuing insurance covering the lives of juveniles in Washington, and such rules will not single out United. In consideration of OIC's aforementioned confirmation, United agrees that it will not challenge the juvenile life insurance rulemaking process and will not present public testimony opposing the juvenile life insurance rule.

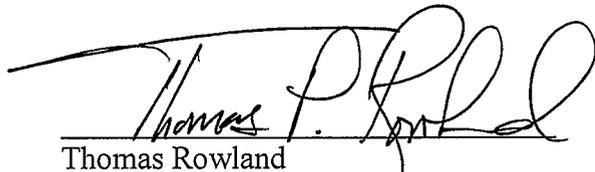
4d. The OIC will withdraw its notice of intent to fine or otherwise impose sanctions against United and will request dismissal with prejudice of OAH Docket No. 2007-INS-0007 and the pending administrative adjudicative proceeding in OIC Matter NO. D07-0333.

4e. The parties agree that this Stipulation and agreed Order are intended to fully resolve the issues arising out of OIC's Notice of Hearing in Matter NO. D07-0333 and OAH Docket No. 2007-INS-0007, and the OIC acknowledges that this settlement resolves all alleged violations relating to the underlying matters, conduct or facts of this proceeding.

4f. The parties agree that the subjoined Order may be entered forthwith and without further notice.

Dated this 7<sup>th</sup> day of October, 2008.

OFFICE OF INSURANCE COMMISSIONER



Thomas Rowland  
Staff Attorney  
Legal Affairs Division

Dated this 3rd day of October, 2008.

**UNITED OF OMAHA LIFE  
INSURANCE COMPANY and  
MUTUAL OF OMAHA INSURANCE  
COMPANY**

By: David A. Barron

Title: Assistant General Counsel

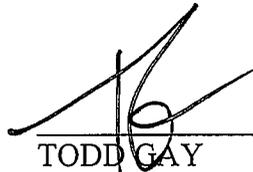
**ORDER**

This matter having come on before Administrative Law Judge Todd Gay pursuant to the foregoing Stipulation, and the Administrative Law Judge having reviewed said Stipulation and deeming himself fully advised in the premises, NOW THEREFORE,

IT IS HEREBY ORDERED as follows:

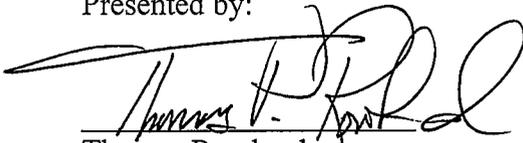
1. OAH Docket Number 2007-INS-0007 and OIC matter NO. D07-0333 are hereby closed and dismissed with prejudice as settled.

SIGNED AND ENTERED this 8<sup>th</sup> day of October, 2008.



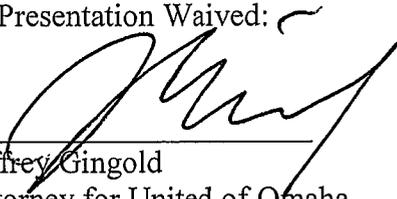
TODD GAY  
Administrative Law Judge  
Office of Administrative Hearings

Presented by:



Thomas Rowland  
OIC Staff Attorney

Approved for Entry/Notice  
of Presentation Waived:



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Jeffrey Gingold  
Attorney for United of Omaha  
Life Insurance Company &  
Mutual of Omaha Insurance  
Company