

**Cairns, Kelly (OIC)**

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**From:** Katie Thomas [kathryn.thomas@nmss.org]  
**Sent:** Friday, January 23, 2015 12:29 PM  
**To:** Cairns, Kelly (OIC)  
**Cc:** Eric Hilty; Drutz, Steve (OIC)  
**Subject:** Request for hearing  
**Attachments:** WA consent order for 2013 filing.pdf; WA consent order for 2014 filing.pdf

FILED

2015 JAN 23 P 2:54

Ms. Cairns,

Steve Drutz recommended I reach out to you in order to request a hearing on the two attached consent orders. The first is order number 14-0241 and the second is order number 15-0018. If possible, we would like to have one hearing to cover both orders since both relate to late filings and have similar circumstances. Also, the Chief Legal Officer, Eric Hilty, and I are located in Denver. A hearing conducted via teleconference is therefore requested.

Please let me know what additional information you need in order to schedule the hearing.

Sincerely,  
Katie Thomas

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**Katie Thomas**  
Corporate Counsel  
National Multiple Sclerosis Society  
900 S. Broadway, 2nd Floor  
Denver, CO 80209  
(303) 698-6100 x15109  
email [Kathryn.thomas@nmss.org](mailto:Kathryn.thomas@nmss.org)



National  
Multiple Sclerosis  
Society

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THIS E-MAIL AND ATTACHMENTS MAY CONTAIN CONFIDENTIAL COMMUNICATIONS SUBJECT TO THE ATTORNEY-CLIENT PRIVILEGE. THE CONTENTS OF THIS E-MAIL SHALL NOT BE FORWARDED TO THIRD-PARTIES WITHOUT THE EXPRESS CONSENT OF THE SENDER.

MIKE KREIDLER  
STATE INSURANCE COMMISSIONER

## STATE OF WASHINGTON



Phone: (360) 725-7000  
www.insurance.wa.gov

Please reply to: PO Box 40259  
Olympia, WA 98504-0259  
Fax: 360-586-2022

OFFICE OF  
INSURANCE COMMISSIONER

December 17, 2014

Eric Hilty  
National Multiple Sclerosis Society  
900 South Broadway, Suite 200  
Denver, Colorado 80209

RE: Proposed Consent Order No. 14-0241

Dear Mr. Hilty:

Enclosed are two originals of a Consent Order imposing a fine. This Order will result in your company being required to pay a fine in lieu of other administrative action relative to its Certificate of Exemption to issue Charitable Gift Annuities in the State of Washington.

Upon receipt from the company of both duplicate original signed Consent Orders, we will sign the documents, enter the Order, and return a fully-executed duplicate original to you. The company will then have 30 days in which to pay the fine.

If we have not received the signed documents by January 5, 2015, this offer is withdrawn and we will proceed with formal administrative action relative to the company's Certificate of Exemption. Please direct all communications regarding this proposed order to the undersigned.

Sincerely,

Steven E. Drutz, CPA, CFE  
Chief Financial Analyst  
Company Supervision Division  
360-725-7209



OFFICE OF  
INSURANCE COMMISSIONER

In The Matter Of:	)	
	)	No. 14-0241
NATIONAL MULTIPLE SCLEROSIS SOCIETY	)	
	)	CONSENT ORDER
	)	LEVYING A FINE

Comes Now the Insurance Commissioner of the State of Washington, pursuant to the authority set forth in RCW 48.38.050, and having reviewed the official records and files of the Office of the Insurance Commissioner, makes the following:

**FINDINGS OF FACT:**

1. NATIONAL MULTIPLE SCLEROSIS SOCIETY is a charitable organization registered under Chapter 48.38 RCW holding Certificate of Exemption #183113 to issue charitable gift annuities in the State of Washington.
2. NATIONAL MULTIPLE SCLEROSIS SOCIETY is required, under RCW 48.38.010(10), to submit its Annual Report and Actuarial Certification on or before November 29 for the preceding fiscal report year.
3. NATIONAL MULTIPLE SCLEROSIS SOCIETY submitted its 2013 Annual Report and Actuarial Certification on or about February 27, 2014; both items being due on or before December 2, 2013.

Based upon the foregoing Findings of Fact, the Commissioner makes the following:

**CONCLUSIONS OF LAW:**

1. NATIONAL MULTIPLE SCLEROSIS SOCIETY failed to meet the filing deadline as required by statute and in doing so has violated RCW 48.38.010(10).
2. RCW 48.38.050 authorizes the Insurance Commissioner to impose a fine in lieu of the suspension or revocation of an organization's certificate.

**CONSENT TO ORDER:**

NATIONAL MULTIPLE SCLEROSIS SOCIETY consents to entry of this Order, waives further administrative or judicial proceedings in this matter, and acknowledges its duty to comply fully with the applicable laws of the State of Washington. The Commissioner has offered a settlement in lieu of suspending or revoking the Certificate of Exemption.

By agreement of the parties, the OIC will impose a fine of \$1,250.00 on the condition that:



1. Within thirty days of the date of this order, NATIONAL MULTIPLE SCLEROSIS SOCIETY pays to the OIC the full amount of the fine.
2. NATIONAL MULTIPLE SCLEROSIS SOCIETY commits no further violations of the statutes and regulations that are the subject of this Consent Order.
3. NATIONAL MULTIPLE SCLEROSIS SOCIETY voluntarily consents to this order to resolve the issues and conduct described herein and with the understanding that the payment of the amount due is a condition to avoiding suspension or revocation of the Certificate of Exemption.

EXECUTED this \_\_\_\_\_ day of \_\_\_\_\_, 201\_\_

NATIONAL MULTIPLE SCLEROSIS SOCIETY

By: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Typed Corporate Title: \_\_\_\_\_

**ORDER OF THE INSURANCE COMMISSIONER**

NOW, THEREFORE, pursuant to the foregoing Findings of Fact, Conclusions of Law, and Consent to Order, the Insurance Commissioner hereby orders as follows:

1. NATIONAL MULTIPLE SCLEROSIS SOCIETY is ordered to pay a fine in the amount of \$1,250.00 upon the condition that NATIONAL MULTIPLE SCLEROSIS SOCIETY fully complies with the laws and regulations of the State of Washington which are the subject of this Order; and
2. Upon failure to pay the fine within the time limit set forth above, the sum will be recoverable in a civil action brought on behalf of the Insurance Commissioner by the Attorney General of the State of Washington, pursuant to RCW 48.38.050.

ENTERED AT TUMWATER, WASHINGTON, this \_\_\_\_\_ day of \_\_\_\_\_, 201\_\_

MIKE KREIDLER  
Insurance Commissioner

By: \_\_\_\_\_  
WILLIAM R. MICHELS, MBA, CPA, CFE  
Deputy Insurance Commissioner  
Company Supervision Division



OFFICE OF  
INSURANCE COMMISSIONER

In The Matter Of:

NATIONAL MULTIPLE SCLEROSIS SOCIETY )

No. 14-0241

CONSENT ORDER  
LEVYING A FINE

Comes Now the Insurance Commissioner of the State of Washington, pursuant to the authority set forth in RCW 48.38.050, and having reviewed the official records and files of the Office of the Insurance Commissioner, makes the following:

**FINDINGS OF FACT:**

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2. NATIONAL MULTIPLE SCLEROSIS SOCIETY is required, under RCW 48.38.010(10), to submit its Annual Report and Actuarial Certification on or before November 29 for the preceding fiscal report year.
3. NATIONAL MULTIPLE SCLEROSIS SOCIETY submitted its 2013 Annual Report and Actuarial Certification on or about February 27, 2014; both items being due on or before December 2, 2013.

Based upon the foregoing Findings of Fact, the Commissioner makes the following:

**CONCLUSIONS OF LAW:**

1. NATIONAL MULTIPLE SCLEROSIS SOCIETY failed to meet the filing deadline as required by statute and in doing so has violated RCW 48.38.010(10).
2. RCW 48.38.050 authorizes the Insurance Commissioner to impose a fine in lieu of the suspension or revocation of an organization's certificate.

**CONSENT TO ORDER:**

NATIONAL MULTIPLE SCLEROSIS SOCIETY consents to entry of this Order, waives further administrative or judicial proceedings in this matter, and acknowledges its duty to comply fully with the applicable laws of the State of Washington. The Commissioner has offered a settlement in lieu of suspending or revoking the Certificate of Exemption.

By agreement of the parties, the OIC will impose a fine of \$1,250.00 on the condition that:

1. Within thirty days of the date of this order, NATIONAL MULTIPLE SCLEROSIS SOCIETY pays to the OIC the full amount of the fine.
2. NATIONAL MULTIPLE SCLEROSIS SOCIETY commits no further violations of the statutes and regulations that are the subject of this Consent Order.
3. NATIONAL MULTIPLE SCLEROSIS SOCIETY voluntarily consents to this order to resolve the issues and conduct described herein and with the understanding that the payment of the amount due is a condition to avoiding suspension or revocation of the Certificate of Exemption.

EXECUTED this \_\_\_\_\_ day of \_\_\_\_\_, 201\_\_.

NATIONAL MULTIPLE SCLEROSIS SOCIETY

By: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Typed Corporate Title: \_\_\_\_\_

**ORDER OF THE INSURANCE COMMISSIONER**

NOW, THEREFORE, pursuant to the foregoing Findings of Fact, Conclusions of Law, and Consent to Order, the Insurance Commissioner hereby orders as follows:

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2. Upon failure to pay the fine within the time limit set forth above, the sum will be recoverable in a civil action brought on behalf of the Insurance Commissioner by the Attorney General of the State of Washington, pursuant to RCW 48.38.050.

ENTERED AT TUMWATER, WASHINGTON, this \_\_\_\_\_ day of \_\_\_\_\_, 201\_\_.

MIKE KREIDLER,  
Insurance Commissioner

By: \_\_\_\_\_  
WILLIAM R. MICHELS, MBA, CPA, CFE  
Deputy Insurance Commissioner  
Company Supervision Division

MIKE KREIDLER  
STATE INSURANCE COMMISSIONER

STATE OF WASHINGTON



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www.insurance.wa.gov

Please reply to: PO Box 40269  
Olympia, WA 98504-0269  
Fax: 360-586-2022

OFFICE OF  
INSURANCE COMMISSIONER

January 23, 2015

Eric Hilty  
National Multiple Sclerosis Society  
900 South Broadway, Suite 200  
Denver, Colorado 80209

RE: Proposed Consent Order No. 15-0018

Dear Mr. Hilty:

Enclosed are two originals of a Consent Order imposing a fine. This Order will result in your company being required to pay a fine in lieu of other administrative action relative to its Certificate of Exemption to issue Charitable Gift Annuities in the State of Washington.

Upon receipt from the company of both duplicate original signed Consent Orders, we will sign the documents, enter the Order, and return a fully-executed duplicate original to you. The company will then have 30 days in which to pay the fine.

If we have not received the signed documents by February 6, 2015, this offer is withdrawn and we will proceed with formal administrative action relative to the company's Certificate of Exemption. Please direct all communications regarding this proposed order to the undersigned.

Sincerely,

A handwritten signature in black ink, appearing to read "Steven E. Drutz", written over a large, faint circular stamp or watermark.

STEVEN E. DRUTZ, CPA, CFE  
Chief Financial Analyst  
Company Supervision Division  
360-725-7209

Mailing Address: P. O. Box 40255 • Olympia, WA 98504-0255  
Street Address: 5000 Capitol Blvd. • Tumwater, WA 98501





OFFICE OF  
INSURANCE COMMISSIONER

In The Matter Of:	)	
	)	No. 15-0018
NATIONAL MULTIPLE SCLEROSIS SOCIETY	)	
	)	CONSENT ORDER
	)	LEVYING A FINE

Comes Now the Insurance Commissioner of the State of Washington, pursuant to the authority set forth in RCW 48.38.050, and having reviewed the official records and files of the Office of the Insurance Commissioner, makes the following:

**FINDINGS OF FACT:**

1. NATIONAL MULTIPLE SCLEROSIS SOCIETY is a charitable organization registered under Chapter 48.38 RCW holding Certificate of Exemption #183113 to issue charitable gift annuities in the State of Washington.
2. NATIONAL MULTIPLE SCLEROSIS SOCIETY is required, under RCW 48.38.010(10), to submit its Annual Report and Actuarial Certification on or before November 29 for the preceding fiscal report year.
3. NATIONAL MULTIPLE SCLEROSIS SOCIETY submitted its 2014 Annual Report and Actuarial Certification on or about January 8, 2015; both items being due on or before December 1, 2014.

Based upon the foregoing Findings of Fact, the Commissioner makes the following:

**CONCLUSIONS OF LAW:**

1. NATIONAL MULTIPLE SCLEROSIS SOCIETY failed to meet the filing deadline as required by statute and in doing so has violated RCW 48.38.010(10).
2. RCW 48.38.050 authorizes the Insurance Commissioner to impose a fine in lieu of the suspension or revocation of an organization's certificate.

**CONSENT TO ORDER:**

NATIONAL MULTIPLE SCLEROSIS SOCIETY consents to entry of this Order, waives further administrative or judicial proceedings in this matter, and acknowledges its duty to comply fully with the applicable laws of the State of Washington. The Commissioner has offered a settlement in lieu of suspending or revoking the Certificate of Exemption.

By agreement of the parties, the OIC will impose a fine of \$1,000.00 on the condition that:

1. Within thirty days of the date of this order, NATIONAL MULTIPLE SCLEROSIS SOCIETY pays to the OIC the full amount of the fine.

Mailing Address: P. O. Box 40255 • Olympia, WA 98504-0255  
Street Address: 5000 Capitol Blvd. • Tumwater, WA 98501



2. NATIONAL MULTIPLE SCLEROSIS SOCIETY commits no further violations of the statutes and regulations that are the subject of this Consent Order.
3. NATIONAL MULTIPLE SCLEROSIS SOCIETY voluntarily consents to this order to resolve the issues and conduct described herein and with the understanding that the payment of the amount due is a condition to avoiding suspension or revocation of the Certificate of Exemption.

EXECUTED this \_\_\_\_ day of \_\_\_\_\_, 2015.

NATIONAL MULTIPLE SCLEROSIS SOCIETY

By: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Typed Corporate Title: \_\_\_\_\_

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ENTERED AT TUMWATER, WASHINGTON, this \_\_\_\_ day of \_\_\_\_\_, 2015.

MIKE KREIDLER,  
Insurance Commissioner

By: \_\_\_\_\_  
WILLIAM R. MICHELS, MBA, CPA, CFE  
Deputy Insurance Commissioner  
Company Supervision Division



OFFICE OF  
INSURANCE COMMISSIONER

In The Matter Of:	)	
	)	No. 15-0018
NATIONAL MULTIPLE SCLEROSIS SOCIETY	)	
	)	CONSENT ORDER
	)	LEVYING A FINE

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Mailing Address: P. O. Box 40255 • Olympia, WA 98504-0255  
Street Address: 5000 Capitol Blvd. • Tumwater, WA 98501



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EXECUTED this \_\_\_\_ day of \_\_\_\_\_, 2015.

NATIONAL MULTIPLE SCLEROSIS SOCIETY

By: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Typed Corporate Title: \_\_\_\_\_

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2. Upon failure to pay the fine within the time limit set forth above, the sum will be recoverable in a civil action brought on behalf of the Insurance Commissioner by the Attorney General of the State of Washington, pursuant to RCW 48.38.050.

ENTERED AT TUMWATER, WASHINGTON, this \_\_\_\_ day of \_\_\_\_\_, 2015.

MIKE KREIDLER,  
Insurance Commissioner

By: \_\_\_\_\_  
WILLIAM R. MICHELS, MBA, CPA, CFE  
Deputy Insurance Commissioner  
Company Supervision Division