

**BEFORE THE INSURANCE COMMISSIONER  
STATE OF OKLAHOMA**

**FILED**  
MAY 29 2013  
INSURANCE COMMISSIONER  
OKLAHOMA

STATE OF OKLAHOMA, ex rel. )  
JOHN D. DOAK, )  
Insurance Commissioner )  
 )  
Petitioner, )  
 )  
vs. )  
 )  
VISION SERVICES PLAN, INC. OKLAHOMA )  
 )  
Respondent. )

Case No.10-0059-DIS

**CONSENT ORDER AND SETTLEMENT AGREEMENT**

COMES NOW the State of Oklahoma ex rel. John D. Doak and Vision Services Plan, Inc. Oklahoma and jointly state and agree as follows:

**JURISDICTION**

1. That John D. Doak is the Insurance Commissioner of the State of Oklahoma ("Petitioner") and as such is charged with the duty of administering and enforcing all provisions of the Oklahoma Insurance Code, 36 Okla. Stat. §§ 101et seq.
2. That Vision Services Plan, Inc. Oklahoma ("Respondent") is a licensed optometric plan in the state of Oklahoma holding certificate of authority number 8618.
3. That Respondent has been apprised of its rights including the right to a public hearing and has knowingly and freely waived said rights and enters into this Consent Order and Settlement Agreement as a voluntary settlement to and mutual resolution of the issues and questions raised in the above captioned case, as attested by its signature to this document appearing below.

**STIPULATIONS OF FACT**

4. The Respondent is a domestic optometric plan licensed in the State of Oklahoma under Article 26A of the Oklahoma Insurance Code. Respondent holds certificate of authority number 8618 and is licensed to write vision insurance.

5. Petitioner and Respondent entered into and filed a Consent Order on February 9, 2010, regarding Respondent's status as a domestic optometric plan and certain of its obligations under the Oklahoma Insurance Code.

6. As described in the Consent Order filed February 9, 2010, Respondent was involved in litigation in federal court ("the Litigation") to determine its tax exempt status under Section 501(c) of the Internal Revenue Code ("IRC"). The Litigation has concluded and resulted in a ruling unfavorable to Respondent. This imposed certain duties and responsibilities on the Respondent as further set out in the Consent Order filed February 9, 2010.

7. Petitioner and Respondent have a good faith dispute regarding whether Respondent meets the qualifications of a domestic optometric plan licensed in the State of Oklahoma under Article 26A of the Oklahoma Insurance Code, but due to the result of the Litigation, the Respondent will forgo any eligibility for licensure as a domestic optometric plan under Article 26 A of the Oklahoma Insurance Code and will apply for licensure under Article 21 of the Oklahoma Insurance Code.

#### **CONCLUSIONS OF LAW**

8. Upon compliance with the terms of this Consent Order and Settlement Agreement, Respondent shall be deemed to be a continuation of the entity that has offered vision coverage in Oklahoma since 1969.

#### **CONSENT, SETTLEMENT AGREEMENT AND ORDER**

9. IT IS THEREFORE ORDERED by the Insurance Commissioner and CONSENTED TO by the Respondent, that: (1) the parties to this Consent Order and Settlement Agreement wish to avoid the expense and uncertainty of litigation; (2) this Consent Order and Settlement Agreement shall not be construed as an admission or denial by either party of any issue of fact or law, other than as stated above; and (3) the parties to this Consent Order and Settlement Agreement wish to enter into a compromise regarding Respondent's classification as an insurer under the Oklahoma Insurance Code.

10. IT IS THEREFORE ORDERED by the Insurance Commissioner and CONSENTED TO by the Respondent that Respondent shall submit an application and all other required information and forms to Petitioner and do all other necessary acts as specifically listed and made known to the Respondent by the Petitioner to convert from a mutual insurance company licensed under Article 26A of the Oklahoma Insurance Code to a mutual insurance company licensed under Article 21 of that Code. Until its conversion application is approved by the Oklahoma Insurance Department, Respondent may continue operating in its current status pursuant to the Consent Order filed February 9, 2010. Respondent shall have sixty (60) days from the filing of this Consent Order and Settlement Agreement to complete and submit its

application for licensure as an Article 21 entity to the Oklahoma Insurance Department. Petitioner will work diligently with Respondent in the conversion process.

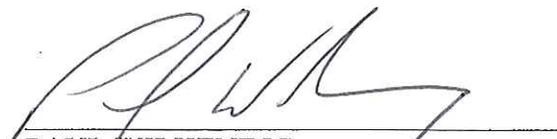
11. IT IS THEREFORE ORDERED by the Insurance Commissioner and CONSENTED TO by the Respondent that within thirty (30) days from the filing of this consent Order and Settlement Agreement, Respondent shall pay the Oklahoma Insurance Department a fee totaling \$1,395,026, the amount due through March 1, 2013 under paragraph 11 of the Consent Order filed February 9, 2010 plus any other fees that accrue under paragraph 11 of that Consent Order after March 1, 2013 and before the completed conversion of Respondent to an Article 21 insurer under the Oklahoma Insurance Code. The parties hereby acknowledge that the fee includes estimated amounts for fees calculated for 2012 and through March 1, 2013. The parties in the course of the conversion of the Respondent to an Article 21 entity will (if needed) undertake reconciliation based on the Respondent's actual reported premium figures for 2012 and through March 1, 2013 and/or completion of Respondent's conversion to an Article 21 insurer.

12. IT IS THEREFORE ORDERED by the Insurance Commissioner, and CONSENTED TO by the Respondent that upon Respondent's full compliance with all terms of this Consent Order and Settlement Agreement, the February 9, 2010 Consent Order shall be superseded by this Consent Order and Settlement Agreement. Upon completion of the conversion to an Article 21 insurer, the Respondent shall thereafter meet its obligations to pay fees and premium taxes pursuant to the Insurance Code and the rules promulgated thereunder.

13. IT IS THEREFORE ORDERED by the Insurance Commissioner and CONSENTED TO by the Respondent that the parties hereto release any prior claims and causes of actions against each other, including, subject to Petitioner's and Respondent's performance of their obligations set out in this Consent Order and Settlement Agreement, any claims by Petitioner that Respondent owes any back taxes, assessments or fees other than those specifically allowed in paragraph 11 of this Consent Order and Settlement Agreement.

WITNESS My Hand and Official Seal this 29<sup>th</sup> May day of ~~April~~, 2013.



  
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PAUL WILKENING  
Chief Deputy Insurance Commissioner  
State of Oklahoma

AGREED AS TO FORM AND CONTENT:

Stuart Thompson

VISION SERVICES PLAN, INC., OKLAHOMA

By: Stuart Thompson for Thomas A. Fessler

Its: Chief Legal Officer

Date: 05/16/2013

ST 5.14.13  
LO 5.14.13

Susan D. Dobkins

OKLAHOMA DEPARTMENT OF INSURANCE

By: Susan D. Dobkins

Its: General Counsel

Date: 5/29/2013