

WAC 284-36A-050 Authorized control level event. (1) "Authorized control level event" means any of the following events:

(a) The filing of an RBS report by the fraternal benefit society which indicates that the fraternal benefit society's total adjusted capital is greater than or equal to its mandatory control level RBS but less than its authorized control level RBS;

(b) The notification by the commissioner to the fraternal benefit society of an adjusted RBS report that indicates the event in (a) of this subsection, provided the fraternal benefit society does not challenge the adjusted RBS report under WAC 284-36A-060;

(c) If, pursuant to WAC 284-36A-060, the fraternal benefit society challenges an adjusted RBS report that indicates the event in (a) of this subsection, notification by the commissioner to the fraternal benefit society that the commissioner has, after a hearing, rejected the fraternal benefit society's challenge;

(d) The failure of the fraternal benefit society to respond, in a manner satisfactory to the commissioner, to a corrective order (provided the fraternal benefit society has not challenged the corrective order under WAC 284-36A-060); or

(e) If the fraternal benefit society has challenged a corrective order under WAC 284-36A-060 and the commissioner has, after a hearing, rejected the challenge or modified the corrective order, the failure of the fraternal benefit society to respond, in a manner satisfactory to the commissioner, to the corrective order subsequent to rejection or modification by the commissioner.

(2) In the event of an authorized control level event with respect to a fraternal benefit society, the commissioner shall:

(a) Take such actions as are required under WAC 284-36A-045 regarding a fraternal benefit society with respect to which a regulatory action level event has occurred; or

(b) If the commissioner deems it to be in the best interests of the policyholders and creditors of the fraternal benefit society and of the public, take such actions as are necessary to cause the fraternal benefit society to be placed under regulatory control under RCW 48.36A.286. In the event the commissioner takes such actions, the authorized control level event shall be deemed sufficient grounds for the commissioner to take action under RCW 48.36A.286, and the commissioner shall have the rights, powers and duties with respect to the fraternal benefit society as are set forth in chapter 48.31 RCW. In the event the commissioner takes actions under this paragraph pursuant to an adjusted RBS report, the fraternal benefit society shall be entitled to such protections as are afforded to fraternal benefit societies under the provisions of RCW 48.31.121 pertaining to summary proceedings.

[Statutory Authority: RCW 48.02.060, 48.36A.100 and 48.36A.290. WSR 98-09-016 (Matter R 98-03), § 284-36A-050, filed 4/6/98, effective 5/7/98.]