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FILED 
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JUN 28 2011
Department of Insurance
State of Idaho

Attorneys for Department of Insurance

**BEFORE THE DIRECTOR OF THE DEPARTMENT OF INSURANCE
STATE OF IDAHO**

In the Matter of:

AMERICAN FARMERS & RANCHERS
LIFE INSURANCE COMPANY

Certificate of Authority No. 3643
NAIC ID No. 60004

Docket No. 18-2695-11

**ORDER OF SUSPENSION OF
CERTIFICATE OF AUTHORITY**

WHEREAS, AMERICAN FARMERS & RANCHERS LIFE INSURANCE COMPANY ("AFRLIC"), an Oklahoma state domiciled insurer licensed for life insurance in the state of Idaho, is required to have capital of One Million Dollars (\$1,000,000) and surplus of One Million Dollars (\$1,000,000) pursuant to Idaho Code § 41-313; and, as of March 31, 2011, AFRLIC reported capital of One Million Dollars (\$1,000,000) and surplus of Eight Hundred Forty-one Thousand Six Hundred Ten Dollars (\$841,610), as reflected in its March 31, 2011, statutory financial statement, and therefore does not meet the requirements for maintaining surplus set forth at Idaho Code § 41-313, and therefore does not meet the requirements for a certificate of authority in the state of Idaho;

NOW, THEREFORE, IT IS HEREBY ORDERED, pursuant to provisions of Idaho Code § 41-326(1)(b), that Certificate of Authority No. 3643 issued to AFRLIC be SUSPENDED effective immediately; and said suspension be continued for a period of one (1) year from the date of this order. The Director may terminate the suspension sooner if the cause for said suspension is terminated and AFRLIC is otherwise in compliance with the provisions of Title 41, Idaho Code.

IT IS FURTHER ORDERED that AFRLIC comply with each of the requirements of Idaho Code § 41-329, including § 41-329(2) which states: "During the suspension period the insurer shall not solicit or write any new business in this state, but shall file its annual statement, pay fees, licenses, and taxes as required under this code, and may service its business already in force in this state, as if the certificate of authority had continued in force."

IT IS FURTHER ORDERED, pursuant to the provisions of Idaho Code § 41-330, that AFRLIC, within four (4) days after notice of this suspension is received, notify, by any available means, every person authorized to write business by said insurance company in the state of Idaho, to immediately cease any further writing of such business.

IT IS FURTHER ORDERED that, within sixty (60) days of the date of this order, AFRLIC file with the Director a complete listing of its policies owned by or issued to residents of the state of Idaho. Such list shall include the name and address of each policyholder and insured, policy type, face amount, and cash surrender value of the policy, as applicable.

IT IS FURTHER ORDERED that AFRLIC promptly return Certificate of Authority No. 3643 to the Idaho Department of Insurance, as required by Idaho Code § 41-323(2).

NOTIFICATION OF RIGHTS

This is a final order of the agency. Any party may file a motion for reconsideration of this

final order within fourteen (14) days of the service date of this order. The agency will dispose of the petition for reconsideration within twenty-one (21) days of its receipt, or the petition will be considered denied by operation of law. *See* section 67-5246(4), Idaho Code.

Pursuant to sections 67-5270 and 67-5272, Idaho Code, any party aggrieved by this final order or orders previously issued in this case may appeal this final order and all previously issued orders in this case to district court by filing a petition in the district court of the county in which:

- i. A hearing was held,
- ii. The final agency action was taken,
- iii. The party seeking review of the order resides, or operates its principal place of business in Idaho, or
- iv. The real property or personal property that was the subject of the agency action is located.

An appeal must be filed within twenty-eight (28) days of (a) this final order, (b) an order denying any petition for reconsideration, or (c) the failure within twenty-one (21) days to grant or deny a petition for reconsideration, whichever is later. *See* section 67-5273, Idaho Code. The filing of an appeal to district court does not itself stay the effectiveness or enforcement of the order under appeal.

DATED this 28TH day of June 2011.



WILLIAM W. DEAL
Director

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that I have, on this 29th day of June 2011, caused a true and correct copy of the foregoing order to be served upon the following by the designated means:

American Farmers & Ranchers Life Insurance Company
800 N. Harvey
Oklahoma City, OK 73102-2813

- ☒ first class mail
- ☒ certified mail
- ☐ hand delivery
- ☐ facsimile
- ☐ email

Oklahoma Insurance Department
John Doak, Commissioner
3625 NW 56th Street, Suite 100
Oklahoma City, OK 73112

- ☒ first class mail
- ☐ certified mail
- ☐ hand delivery
- ☐ facsimile
- ☐ email

Oklahoma Insurance Department
John McCarter, Chief Financial Analyst
3625 NW 56th Street, Suite 100
Oklahoma City, OK 73112

- ☒ first class mail
- ☐ certified mail
- ☐ hand delivery
- ☐ facsimile
- ☐ email

Idaho Life and Health Guaranty Association
ATTN: Candie Kinch
ckinch@idlifega.org

- ☐ first class mail
- ☐ certified mail
- ☐ hand delivery
- ☐ facsimile
- ☒ email

Thomas A. Donovan
Deputy Attorney General
Idaho Department of Insurance
P.O. Box 83720
Boise, ID 83720-0043

- ☐ first class mail
- ☐ certified mail
- ☒ hand delivery
- ☐ facsimile
- ☐ email



Teresa Jones
Assistant to the Director