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FILED

JUL 23 2012

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:

LUMBERMENS MUTUAL CASUALTY
COMPANY

Certificate of Authority No. 524
NAIC ID No. 22977

Docket No. 18-2787-12

**ORDER SUSPENDING CERTIFICATE
OF AUTHORITY**

WHEREAS, LUMBERMENS MUTUAL CASUALTY COMPANY (LUMBERMENS),
an Illinois-domiciled insurer, is licensed to transact property insurance; casualty insurance,
including worker's compensation; disability insurance, excluding managed care; marine and
transportation insurance; and surety insurance in the state of Idaho under Certificate of Authority
No. 1073;

WHEREAS, LUMBERMENS was placed into rehabilitation on July 2, 2012, by order of
the Circuit Court of Cook County, Illinois, County Department, Chancery Division, in Case No.
12CH24227, based on the petition of the Director of Insurance for the State of Illinois;

NOW, THEREFORE, IT IS HEREBY ORDERED, pursuant to Idaho Code § 41-327(3), that Certificate of Authority No. 524 issued to LUMBERMENS be SUSPENDED, effective immediately, 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 LUMBERMENS is otherwise in compliance with title 41, Idaho Code.

IT IS FURTHER ORDERED that LUMBERMENS shall comply with 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 Idaho Code § 41-330(1), that, within four (4) days after notice of this suspension is provided, LUMBERMENS shall notify, by any available means, every person authorized to write business in the state of Idaho by said insurance company, to immediately cease to write any further insurance business for LUMBERMENS in Idaho.

IT IS FURTHER ORDERED that LUMBERMENS shall promptly return Certificate of Authority No. 524 to the Idaho Department of Insurance, as required by Idaho Code § 41-323(2).

NOTIFICATION OF RIGHTS

This is a final order of the Director. 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* Idaho Code § 67-5246(4).

Pursuant to Idaho Code §§ 67-5270 and 67-5272, 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) the service date of this final order, (b) an order denying petition for reconsideration, or (c) the failure within twenty-one (21) days to grant or deny a petition for reconsideration, whichever is later. *See* Idaho Code § 67-5273. The filing of an appeal to district court does not itself stay the effectiveness or enforcement of the order under appeal.

DATED this 23RD day of July 2012.

STATE OF IDAHO
DEPARTMENT OF INSURANCE



WILLIAM W. DEAL
Director

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that, on this 13th day of July 2012, I caused a true and correct copy of the foregoing ORDER SUSPENDING CERTIFICATE OF AUTHORITY to be served upon the following by the designated means:

Lumbermens Mutual Casualty Company
1 Corporate Drive, Suite 200
Lake Zurich, IL 60047-8945

☒ first class mail
☒ certified mail
☐ hand delivery

Illinois Department of Insurance
Andrew Boron, Director
320 W. Washington
Springfield, IL 62767

☒ first class mail
☐ certified mail
☐ hand delivery

Idaho Life and Health Guaranty Association
Attn: Candie Kinch
ckinch@idlifea.org

☐ first class mail
☐ certified mail
☒ email

Idaho State Treasurer's Office
Attn: Angela Bonaminio
angela.bonaminio@sto.idaho.gov

☐ first class mail
☐ certified mail
☒ email

Idaho Industrial Commission
Attn: Dianne Johnson
djohnson@iic.idaho.gov

☐ first class mail
☐ certified mail
☒ email

National Council on Compensation Insurance
Attn: Michelle Smith
Michelle_Smith@ncci.com

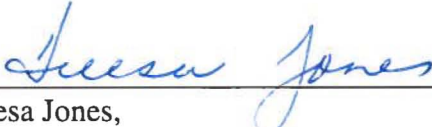
☐ first class mail
☐ certified mail
☒ email

Idaho Guaranty Association
Attn: Dave Edwards
Western Guaranty Fund Services
dedwards@wgfs.org

☐ first class mail
☐ certified mail
☒ email

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

☐ first class mail
☐ certified mail
☒ hand delivery



Teresa Jones,
Assistant to the Director