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FILED 

AUG 01 2012

Department of Insurance  
State of Idaho

*Attorneys for Department of Insurance*

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

In the Matter of:

LINCOLN GENERAL INSURANCE  
COMPANY

Certificate of Authority No. 2545  
NAIC ID No. 33855

Docket No. 18-2567-12

**ORDER CONTINUING SUSPENSION  
OF CERTIFICATE OF AUTHORITY**

WHEREAS, Certificate of Authority No. 2545 issued to LINCOLN GENERAL INSURANCE COMPANY (LINCOLN GENERAL), a Pennsylvania-domiciled insurer licensed to transact property and casualty insurance in the state of Idaho under said certificate of authority, has been suspended by the Director of the Idaho Department of Insurance (Director) by order dated November 10, 2009, pursuant to Idaho Code § 41-327(2)(a), and by orders dated November 3, 2010, and September 19, 2011, pursuant to Idaho Code § 41-326(1)(b); and

WHEREAS, LINCOLN GENERAL is required to maintain capital of One Million Dollars (\$1,000,000) and surplus of One Million Dollars (\$1,000,000) pursuant to Idaho Code § 41-313; however, as of March 31, 2012, LINCOLN GENERAL reported a surplus of negative

Two Million Six Hundred Eight Thousand Four Hundred Fifty-two Dollars (-\$2,608,452), as reflected in its statutory financial statement of that date, and therefore does not meet the requirements for maintaining surplus set forth in Idaho Code § 41-313 and fails to meet the requirements for maintaining a certificate of authority in the state of Idaho;

NOW, THEREFORE, IT IS HEREBY ORDERED, pursuant to Idaho Code § 41-326(1)(b), that Certificate of Authority No. 2545 issued to LINCOLN GENERAL be CONTINUED IN SUSPENSION, 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 corrected and LINCOLN GENERAL is otherwise in compliance with title 41, Idaho Code.

IT IS FURTHER ORDERED that LINCOLN GENERAL comply with the requirements of Idaho Code § 41-329, including § 41-329(2), which provides: "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 full force."

IT IS FURTHER ORDERED, pursuant to Idaho Code § 41-330(1), that, within four (4) days after notice of this suspension is provided, LINCOLN GENERAL 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 LINCOLN GENERAL in Idaho.

### **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 15<sup>th</sup> day of August, 2012.

STATE OF IDAHO  
DEPARTMENT OF INSURANCE

  
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WILLIAM W. DEAL  
Director

### CERTIFICATE OF SERVICE

I HEREBY CERTIFY that, on this 1st day of August, 2012, I caused a true and correct copy of the foregoing ORDER CONTINUING SUSPENSION OF CERTIFICATE OF AUTHORITY to be served upon the following by the designated means:

Lincoln General Insurance Company  
3501 Concord Road  
York, PA 17402-0136

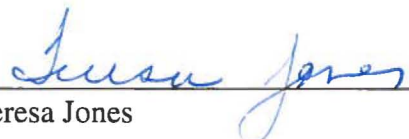
☒ first class mail  
☒ certified mail  
☐ hand delivery  
☐ email

Dave Edwards  
Idaho Insurance Guaranty Association  
Western Guaranty Fund Services  
[dedwards@wgfs.org](mailto:dedwards@wgfs.org)

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

A. René Martin  
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Idaho Department of Insurance  
P.O. Box 83720  
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☐ first class mail  
☐ certified mail  
☒ hand delivery  
☐ email

  
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Teresa Jones