

FILED

MAY 03 2024

**Department of Insurance
State of Idaho**

BEFORE THE DIRECTOR OF THE DEPARTMENT OF INSURANCE

STATE OF IDAHO

In the Matter of:

PMI MORTGAGE INSURANCE
COMPANY

Certificate of Authority No. 1063
NAIC ID No. 27251

Docket No. 18-4426-24

**ORDER CONTINUING
SUSPENSION OF CERTIFICATE OF
AUTHORITY**

PMI Mortgage Insurance Company (the “Company”) is an Arizona-domiciled insurer licensed to transact mortgage guaranty insurance in Idaho under Certificate of Authority No. 1063. By orders issued August 30, 2011, July 9, 2012, June 5, 2013, May 5, 2014, April 9, 2015, March 2, 2016, January 30, 2017, December 20, 2017, November 7, 2018, September 17, 2019, August 5, 2020, June 24, 2021, May 31, 2022, and May 8, 2023, the Director of the Idaho Department of Insurance (“Director”) suspended the Company’s Idaho Certificate of Authority. With this Order, the Director continues the suspension as discussed below.

On March 14, 2012, the Superior Court of the State of Arizona, in and for the County of Maricopa, placed the Company in receivership, Case No. CV2011-018944. The court entered its order based on the petition of the Director of the Arizona Department of Insurance. The Company remains in receivership.

To qualify for and maintain authority to transact insurance in Idaho, an insurer must possess at least \$1,500,000 in additional surplus beyond any funds maintained as unimpaired paid-up

capital stock (if a stock company) or basic surplus (if a mutual or reciprocal insurer). *See* Idaho Code § 41-313(1). As of December 31, 2023, the Company reported additional surplus of \$-808,150,145, as reflected in its last-filed statutory financial statement of that date.

Idaho Code § 41-326(1)(b) says the Director shall refuse to continue or shall suspend or revoke a foreign insurer's Idaho certificate of authority if the insurer "no longer meets the requirements for the authority, on account of deficiency of assets or otherwise." And in cases of insolvency or impairment of required capital or surplus, the Director may take such action without first holding a hearing pursuant to Idaho Code § 41-326(2).

Further, Idaho Code § 41-327(3) says the Director may, "without advance notice or a hearing, immediately suspend the certificate of authority of any insurer as to which proceedings for receivership, conservatorship, rehabilitation, or other delinquency proceedings, have been commenced in any state by the public insurance supervisory official of such state."

The Director, having reviewed the foregoing, finds that the Company does not meet the requirements for maintaining additional surplus set forth at Idaho Code § 41-313(1), and thus does not meet the requirements for holding a certificate of authority in Idaho under Idaho Code § 41-326(1)(b).

Further, the Director finds that the Company remains in delinquency proceedings within the meaning of Idaho Code § 41-327(3). Based on these findings, and good cause appearing;

NOW, THEREFORE, IT IS ORDERED, pursuant to Idaho Code §§ 41-326(1)(b) and 41-327(3), that the Company's Idaho Certificate of Authority is CONTINUED IN SUSPENSION, effective immediately, for one year from the date of this order. The Director may terminate the suspension sooner if the cause for said suspension is corrected and the Company otherwise complies with title 41, Idaho Code.

IT IS FURTHER ORDERED that the Company must comply with 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 days after notice of this suspension is provided, the Company will notify, by any available means, every person authorized to write business in Idaho by the Company, to immediately cease to write any further insurance business for the Company in Idaho, unless the Company has already taken such action per prior order of the Director.

IT IS FURTHER ORDERED that within 60 days of the date of this order, the Company will file with the Director a complete listing of its policies owned by or issued to Idaho.

IT IS FURTHER ORDERED that such list must include the name and address of each policyholder and insured, policy type, face amount, and cash surrender value of the policy, as applicable.

DATED this 2 day of May, 2023.

STATE OF IDAHO
DEPARTMENT OF INSURANCE


DEAN L. CAMERON
Director

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 motion for reconsideration within twenty-one (21) days of its receipt, or the motion will be considered denied by operation of law. See Idaho Code § 67-5246(4).

Any such motion for reconsideration shall be served on the Director of the Idaho Department of Insurance, addressed as follows:

Dean L. Cameron, Director
Idaho Department of Insurance
700 W. State Street, 3rd Floor
P.O. Box 83720
Boise, ID 83720-0043

Pursuant to Idaho Code §§ 67-5270 and 67-5272, any party aggrieved by this final order or orders previously issued in this case may file a petition for judicial review in the district court of the county in which:

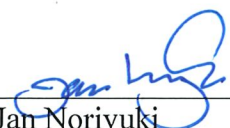
- i. A hearing was held;
- ii. The final agency action was taken;
- iii. The party seeking review of the order resides, or operates its principal place of business in Idaho; or
- iv. The real property or personal property that was the subject of the agency action is located.

A petition for judicial review must be filed within twenty-eight (28) days of: (a) the service date of this final order, (b) the service of an order denying motion for reconsideration, or (c) the failure within twenty-one (21) days to grant or deny a motion for reconsideration, whichever is later. See Idaho Code § 67-5273. The filing of a petition for judicial review does not itself stay the effectiveness or enforcement of the order under appeal. Idaho Code § 67-5274.

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that, on this 3rd day of May, 2023, I caused a true and correct copy of the foregoing ORDER CONTINUING SUSPENSION OF CERTIFICATE OF AUTHORITY to be served upon the following parties by the method(s) identified below:

PMI MORTGAGE INSURANCE COMPANY 3003 Oak Road Walnut Creek, CA 94597	☒ First Class Mail ☐ Certified Mail ☐ Hand Delivery ☐ Facsimile ☐ Email:
PMI MORTGAGE INSURANCE COMPANY 3030 North Third Street, Suite 790 Phoenix, AZ 85012	☒ First Class Mail ☐ Certified Mail ☐ Hand Delivery ☐ Facsimile ☐ Email:
ARIZONA DEPARTMENT OF INSURANCE AND FINANCIAL INSTITUTIONS Barbara Richardson, CEO 100 North 15 th Avenue, Suite 261 Phoenix, AZ 85007-2630	☒ First Class Mail ☐ Certified Mail ☐ Hand Delivery ☐ Facsimile ☐ Email:
IDAHO GUARANTY ASSOCIATION Chad Anderson, President Western Guaranty Fund Services	☐ First Class Mail ☐ Certified Mail ☐ Hand Delivery ☐ Facsimile ☒ Email: canderson@wgfs.org
John Keenan DEPUTY ATTORNEY GENERAL IDAHO DEPARTMENT OF INSURANCE 700 W. State Street, 3 rd Floor P.O. Box 83720 Boise, ID 83720-0043	☐ First Class Mail ☐ Certified Mail ☐ Hand Delivery ☐ Facsimile ☒ Email: john.keenan@doi.idaho.gov



Jan Noriyuki
Paralegal