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FILED

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Department of Insurance
State of Idaho

BEFORE THE DIRECTOR OF THE DEPARTMENT OF INSURANCE

STATE OF IDAHO

In the Matter of:

LUMBERMEN'S UNDERWRITING
ALLIANCE,

Certificate of Authority No. 559
NAIC No. 23108

Docket No. 18-3037-16

**ORDER CONTINUING SUSPENSION
OF CERTIFICATE OF AUTHORITY**

Idaho Certificate of Authority No. 559 issued to LUMBERMEN'S UNDERWRITING ALLIANCE (LUMBERMEN'S), a Missouri-domiciled insurer licensed to transact casualty insurance, including workers' compensation; marine and transportation insurance; property insurance; and surety insurance in the state of Idaho under said certificate of authority, was suspended by the Director of the Idaho Department of Insurance (Director) by order dated April 21, 2015.

As of December 31, 2014, LUMBERMEN'S reported total surplus of negative twenty-two million five hundred two thousand seven hundred fifty-one dollars (-\$22,502,751), as reflected in its last-filed statutory financial statement of that date.

On May 19, 2015, LUMBERMEN'S was placed into rehabilitation by order of the Circuit Court of Cole County, Missouri, based on the petition of the Director of the Missouri Department of Insurance.

The Director, having reviewed the foregoing and the requirements of Idaho Code §§ 41-313(1), 41-326(1)(b), and 41-327(3), and good cause appearing therefor,

THE DIRECTOR HEREBY FINDS that LUMBERMEN'S does not meet the requirements for maintaining surplus set forth at Idaho Code § 41-313(1), and thus does not meet the requirements for holding a certificate of authority in the state of Idaho.

THE DIRECTOR HEREBY FURTHER FINDS that LUMBERMEN'S is subject to rehabilitation proceedings within the meaning of Idaho Code § 41-327(3).

NOW, THEREFORE, IT IS HEREBY ORDERED, pursuant to Idaho Code §§ 41-326(1)(b) and 41-327(3), that Certificate of Authority No. 559 issued to LUMBERMEN'S 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 LUMBERMEN'S is otherwise in compliance with title 41, Idaho Code.

IT IS FURTHER ORDERED that LUMBERMEN'S 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, LUMBERMEN'S 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 LUMBERMEN'S in Idaho, unless such action has already been taken pursuant to prior order of the Director.

DATED this 24 day of March, 2016.

STATE OF IDAHO
DEPARTMENT OF INSURANCE



DEAN L. CAMERON
Director

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 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.

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that, on this 24 day of March, 2016, 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:

Lumbermen's Underwriting Alliance
1905 N.W. Corporate Blvd.
Boca Raton, FL 33431-7303

☒ first class mail
☐ certified mail
☐ hand delivery

Missouri Department of Insurance
John M. Huff, Director
P.O. Box 690
Jefferson City, MO 65102-0690

☒ first class mail
☐ certified mail
☐ hand delivery

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

☐ first class mail
☐ certified mail
☒ via email

Idaho Industrial Commission
Attn: Shelly Tudela, Financial Specialist
Shelly.Tudela@iic.idaho.gov

☐ first class mail
☐ certified mail
☒ via email

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

☐ first class mail
☐ certified mail
☒ via email

National Council on Compensation Insurance
Attn: Michelle Smith
michelle_smith@NCCI.com

☐ first class mail
☐ certified mail
☒ via email

Richard B. Burleigh
Deputy Attorney General
Idaho Department of Insurance
P.O. Box 83720
Boise, ID 83720-0043

☐ first class mail
☐ certified mail
☒ hand delivery



Kelly Grady