

**FILED**  
**SEP 22 2020**  
Department of Insurance  
State of Idaho

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

In the Matter of:

GATEWAY INSURANCE COMPANY

Certificate of Authority No. 2989  
NAIC No. 28339

Docket No. 18-3809-20

**ORDER ON MOTION FOR  
RECONSIDERATION**

On August 26, 2020, the Director of the Idaho Department of Insurance (“Director”) suspended Certificate of Authority No. 2989 issued to Gateway Insurance Company (“Gateway”), based on entry of an Agreed Order of Liquidation with a Finding of Insolvency by the Circuit Court of Cook County, Illinois, County Department, Chancery Division, in Case No. 19 CH 7852, on June 10, 2020, placing Gateway into liquidation (the “Circuit Court Order”).

On September 14, 2020, Gateway moved the Director for reconsideration of the suspension order. Gateway asserted that, instead of placing Gateway into liquidation, the Circuit Court Order separated Gateway from its assets and sold the remainder of the company to Buckle Corp. (“Buckle”). Buckle then re-capitalized Gateway and resumed business.

Upon further examination of the docket in the Illinois matter, the Director finds that Gateway stipulated to an Order of Rehabilitation on October 16, 2019. On May 8, 2020, Gateway’s sole shareholder’s Board of Directors passed a corporate resolution consenting to the entry of an order of liquidation.

During this period, the liquidator worked to separate Gateway into two different companies: Gateway, which existed only on paper and consisted of Gateway's corporate charter and state licenses; and the Liquidation Estate of Gateway ("Liquidation Estate"), which held all Gateway's other assets. Buckle won the bidding for Gateway and prepared to acquire the company. The Circuit Court approved this plan on June 10, 2020, finding that "upon Closing [of the sale of Gateway to Buckle], the Liquidator's administration of the Post-Closing Assets [Gateway] and his conduct of that portion of GIC's business related to such Post-Closing Assets shall cease and terminate...." Memorandum Opinion and Order Approving Stock Purchase Agreement, Sale Transaction and Channeling Injunction as to Certain Assets (at 13).

Gateway's motion for reconsideration demonstrates that the sale of Gateway to Buckle had closed, and, therefore, Gateway was not subject to liquidation on August 26, 2020. While the Director is disappointed that Gateway did not keep the Department apprised of the status of its liquidation proceedings, the Director finds that grounds exist to vacate the order suspending Gateway's Idaho certificate of authority.

THEREFORE, the Director's order of August 26, 2020, is *vacated*. Gateway is hereby instructed to contact the Company Activities Bureau to complete any applicable change of control documentation.

DATED this 22<sup>nd</sup> day of September, 2020.

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, 3<sup>rd</sup> 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 22nd day of September, 2020, I caused a true and correct copy of the foregoing ORDER ON MOTION FOR RECONSIDERATION to be served upon the following by the designated means:

Gateway Insurance Company  
Jeffrey Nash, Secretary and General Counsel  
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Schaumburg, IL 60173-4983  
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- ☐ first class mail
- ☐ certified mail
- ☐ hand delivery
- ☐ facsimile
- ☒ email

Illinois Department of Insurance  
Robert H. Muriel, Director  
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Idaho Guaranty Association  
Western Guaranty Fund Services  
Attn: Chad Anderson, President  
[canderson@wgfs.org](mailto:canderson@wgfs.org)

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Michael Witry  
Deputy Attorney General  
Idaho Department of Insurance  
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Pamela Murray