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FILED 

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Department of Insurance  
State of Idaho

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I.S.B No. 4377

**BEFORE THE DIRECTOR OF THE DEPARTMENT OF INSURANCE**

**STATE OF IDAHO**

In the Matter of:	)	
	)	Docket No. 18-2294-07
PROVIDENCE WASHINGTON	)	
INSURANCE COMPANY,	)	<b>ORDER OF</b>
	)	<b>CONTINUATION</b>
Certificate of Authority No. 356	)	<b>OF SUSPENSION</b>
NAIC No. 24295.	)	<b>OF CERTIFICATE OF</b>
	)	<b>AUTHORITY</b>
_____	)	

WHEREAS, the certificate of authority issued to PROVIDENCE WASHINGTON INSURANCE COMPANY (“PROVIDENCE WASHINGTON”), a company domiciled in the state of Rhode Island, licensed for property and casualty insurance in the state of Idaho, has been suspended by the Department of Insurance, state of Idaho by Orders dated February 14, 2005 and May 18, 2006 pursuant to Idaho Code § 41-327(2)(a) and IDAPA 18.01.66.011.02, .03, .06 and .15, due to the company’s unsound financial condition; and

WHEREAS, PROVIDENCE WASHINGTON operates under a self-administered runoff plan; and

WHEREAS, PROVIDENCE WASHINGTON as of December 31, 2006, has a risk-based capital ratio of 189.1%, had a net loss of (\$2,851,420), and has negative cash from operations of (\$39,045,922); and is therefore deemed to be in hazardous financial condition;

NOW, THEREFORE, IT IS HEREBY ORDERED, pursuant to the provisions of Idaho Code § 41-327(2)(a) and IDAPA 18.01.66.011.02, .03, .06 and .15 that Certificate of Authority No. 356, issued to PROVIDENCE WASHINGTON, be CONTINUED IN SUSPENSION effective immediately.

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

Pursuant to Sections 67-5270 and 67-5272, Idaho Code, 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 (a) of this final order, (b) of an order denying any petition for reconsideration, or (c) the failure within twenty-one (21) days to grant or deny a petition for reconsideration, whichever is later. See Section 67-5273, Idaho

Code. The filing of an appeal to district court does not itself stay the effectiveness or enforcement of the order under appeal.

DATED and EFFECTIVE this 3<sup>RD</sup> day of April 2007.



WILLIAM W. DEAL  
Director

**CERTIFICATE OF SERVICE**

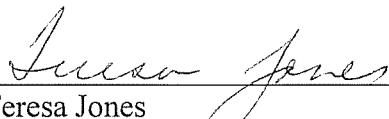
I HEREBY CERTIFY that I have on this 3<sup>rd</sup> day of April 2007, caused a true and correct copy of the foregoing ORDER to be served upon the following by the designated means:

Providence Washington Insurance Company  
Attn: Nancy Resende  
88 Boyd Avenue  
East Providence, RI 02914

- first class mail
- certified mail
- hand delivery
- via facsimile

Thomas A. Donovan  
Deputy Attorney General  
Idaho Department of Insurance  
700 W. State Street, 3<sup>rd</sup> Floor  
P.O. Box 83720  
Boise, ID 83720-0043

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Teresa Jones  
Assistant to the Director