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FILED

MAY 21 2008

**Department of Insurance
State of Idaho**

Attorneys for Department of Insurance

BEFORE THE DIRECTOR OF THE DEPARTMENT OF INSURANCE

STATE OF IDAHO

In the Matter of:)
)
OLD RELIANCE INSURANCE COMPANY)
)
Certificate of Authority No. 1695)
NAIC No. 67253)
_____)

Docket No. 18-2465-08

**ORDER OF SUSPENSION
OF CERTIFICATE
OF AUTHORITY**

WHEREAS, OLD RELIANCE INSURANCE COMPANY (“OLD RELIANCE”), an Arizona state domiciled insurer licensed for life and disability insurance in the state of Idaho, is required to have capital of One Million Dollars (\$1,000,000) and surplus of One Million Dollars (\$1,000,000) pursuant to Idaho Code § 41-313; and as of December 31, 2007, OLD RELIANCE reported a surplus of Six Hundred One Thousand Six Hundred Ninety-three Dollars (\$601,693), as reflected in its 2007 December Statutory Financial Statement, and therefore no longer meets the requirements for maintaining surplus set forth at Idaho Code § 41-313, and therefore does not meet the requirements for a certificate of authority in the state of Idaho;

NOW, THEREFORE, IT IS HEREBY ORDERED, pursuant to provisions of Idaho Code § 41-326(1)(b), that Certificate of Authority No. 1695 issued to OLD RELIANCE be SUSPENDED effective immediately; and said suspension be continued 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 terminated and OLD RELIANCE is otherwise in compliance with the provisions of Title 41, Idaho Code.

IT IS FURTHER ORDERED, that OLD RELIANCE comply with each of 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 the provisions of Idaho Code § 41-330, that OLD RELIANCE, within four (4) days after notice of this suspension is received, notify, by any available means, every person authorized to write business by said insurance company in the state of Idaho, to immediately cease any further writing of such business.

IT IS FURTHER ORDERED, that OLD RELIANCE promptly return Certificate of Authority No. 1695 to the Idaho Department of Insurance, as required by Idaho Code § 41-323(2).

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 21st day of May 2008.



WILLIAM W. DEAL, Director
Idaho Department of Insurance

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that I have on this 21st day of May 2008, caused a true and correct copy of the foregoing order to be served upon the following by designated means:

Old Reliance Insurance Company
Dennis G. Haley
1295 Kelly Johnson Blvd., Suite 100
Colorado Springs, CO 80920-3978

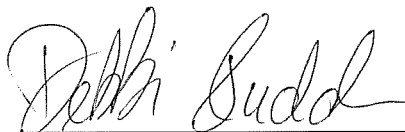
- first class mail
- certified mail
- hand delivery
- via facsimile

Candie Kinch
Idaho Life and Health Guaranty Association
4700 N. Cloverdale Rd., Ste 204
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ckinch@idlifega.org

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

Thomas A. Donovan
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- first class mail
- certified mail
- hand delivery
- via facsimile



for Teresa Jones
Assistant to the Director