

LAWRENCE G. WASDEN  
Attorney General

THOMAS A. DONOVAN  
Deputy Attorney General  
Idaho Department of Insurance  
700 West State Street  
P.O. Box 83720  
Boise, ID 83720-0043  
Telephone: (208) 334-4204  
Facsimile: (208) 334-4298  
I.S.B No. 4377

FILED *ry*

NOV 03 2010

Department of Insurance  
State of Idaho

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

**STATE OF IDAHO**

In the Matter of:

LINCOLN GENERAL  
INSURANCE COMPANY,

Certificate of Authority No. 2545  
NAIC No. 33855

Docket No. 18-2567-10

**ORDER OF CONTINUATION OF  
SUSPENSION OF CERTIFICATE OF  
AUTHORITY**

WHEREAS, LINCOLN GENERAL INSURANCE COMPANY (“LINCOLN GENERAL”), a Pennsylvania state domiciled insurer licensed for property and casualty insurance in the state of Idaho under Certificate of Authority No. 2545, has been suspended by the Idaho Department of Insurance by order dated November 10, 2009, pursuant to the provisions of Idaho Code § 41-327(2)(a); and

WHEREAS, LINCOLN GENERAL 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 June 30, 2010, LINCOLN GENERAL reported capital of Four Million Two Hundred Thousand Dollars (\$4,200,000) and surplus of negative Three Million Three Hundred Ninety-two Thousand Five Hundred Fifteen Dollars (-\$3,392,515), as reflected in its June 30, 2010,

Statutory Financial Statement, and therefore no longer meets the requirements for maintaining surplus set forth at Idaho Code § 41-313, and 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. 2545 issued to LINCOLN GENERAL INSURANCE COMPANY be CONTINUED IN SUSPENSION effective immediately and that, pursuant to this section, 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 LINCOLN GENERAL is otherwise in compliance with the provisions of Title 41, Idaho Code.

IT IS FURTHER ORDERED that LINCOLN GENERAL 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 full force.”

#### **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 30<sup>th</sup> day of November 2010.

  
\_\_\_\_\_  
WILLIAM W. DEAL, Director  
Idaho Department of Insurance

**CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that I have, on this 3rd day of November 2010, caused a true and correct copy of the foregoing order to be served upon the following by the designated means:

Lincoln General Insurance Company  
Attn: General Counsel  
3501 Concord Road  
York, PA 17402-0136

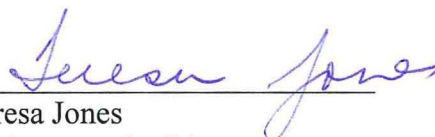
- first class mail
- certified mail
- hand delivery
- via facsimile

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

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

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

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

  
\_\_\_\_\_  
Teresa Jones  
Assistant to the Director