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FILED

MAR 0 2 2011

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:

NATIONAL STATES INSURANCE COMPANY,

Docket No. 18-2608-11

ORDER OF REVOCATION OF CERTIFICATE OF AUTHORITY

Certificate of Authority No. 1055 NAIC ID No. 60593

WHEREAS, NATIONAL STATES INSURANCE COMPANY ("NATIONAL STATES"), a Missouri state domiciled insurer licensed for life and disability in the state of Idaho under Certificate of Authority No. 1055, has been suspended by the Idaho Department of Insurance by order dated April 14, 2010, pursuant to the provisions of Idaho Code § 41-327(3), due to its having been placed into rehabilitation on April 1, 2010, by order of the Circuit Court of Cole County, State of Missouri, in Case No. 10AC-CC00219, based on the request or consent of the Board of Directors of NATIONAL STATES;

WHEREAS, the rehabilitation of NATIONAL STATES was terminated and liquidation

ordered pursuant to an order of the Circuit Court of Cole County, State of Missouri, in Case No. 10AC-CC00219, entered on November 15, 2010, based on findings that NATIONAL STATES is insolvent; and

WHEREAS, pursuant to Idaho Code § 41-326(1)(b) and (2), the Director of the Department shall, without advance notice, refuse to continue or shall suspend or revoke the certificate of authority of a foreign insurer where it no longer meets the requirements for the authority, on account of deficiency of assets or otherwise, and that condition exists given NATIONAL STATES' insolvency; and Department staff requests that the certificate of authority be revoked because of NATIONAL STATES' liquidation and insolvency;

NOW, THEREFORE, IT IS HEREBY ORDERED, pursuant to provisions of Idaho Code § 41-327(3), that Certificate of Authority No. 1055 issued to NATIONAL STATES INSURANCE COMPANY be REVOKED effective immediately.

IT IS FURTHER ORDERED, pursuant to the provisions of Idaho Code § 41-330, that NATIONAL STATES, within four (4) days after notice of this revocation 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, within sixty (60) days of the date of this order, NATIONAL STATES file with the Director a complete listing of its policies owned by or issued to residents of the State of Idaho. Such list shall include the name and address of each policyholder and insured, policy type, face amount, and cash surrender value of the policy, as applicable.

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 this 2^{NP} day of March 2011.

Idaho Department of Insurance

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that I have, on this <u>I</u> day of March 2011, caused a true and correct copy of the foregoing order to be served upon the following by the designated means:

National States Insurance Company 1830 Craig Park Court St. Louis, MO 63146-4148

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

Candie Kinch Idaho Life and Health Guaranty Association 3355 N. Five Mile Road #210 Boise, ID 83713 <u>ckinch@idlifega.org</u>

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Teresa Jones

Assistant to the Director