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FILED 

SEP 06 2011

Department of Insurance  
State of Idaho

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

**STATE OF IDAHO**

In the Matter of:

WESTERN INSURANCE COMPANY

Certificate of Authority No. 3631  
NAIC ID No. 10008

Docket No. 18-2704-11

**ORDER OF SUSPENSION OF  
CERTIFICATE OF AUTHORITY**

WHEREAS, WESTERN INSURANCE COMPANY (“WESTERN”), a Utah state-domiciled insurer licensed for property and casualty insurance in the state of Idaho, was placed into rehabilitation by order of the Third Judicial District Court in and for Salt Lake County, State of Utah, in Case No. 110917050, based on the petition of the Commissioner of Insurance of the State of Utah and the consent of the Board of Directors of WESTERN; and the Director may exercise his discretion to suspend the certificate of authority of WESTERN in the state of Idaho without advance notice, pursuant to Idaho Code § 41-327(3); and

WHEREAS, WESTERN 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, 2011, WESTERN reported capital of One Million Dollars (\$1,000,000) and surplus of negative Six Hundred Twenty-two Thousand One Hundred Fifty-six Dollars (-\$622,156), as reflected in its June 30, 2011, statutory financial statement, and therefore does not meet the requirements for maintaining surplus as 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 Idaho Code §§ 41-326(1)(b) and 41-327(3), that Certificate of Authority No. 3631 issued to WESTERN INSURANCE COMPANY 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 WESTERN is otherwise in compliance with the provisions of title 41, Idaho Code.

IT IS FURTHER ORDERED that WESTERN shall 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 Idaho Code § 41-330, that, within four (4) days after notice of this suspension is provided, WESTERN shall notify, by any available means, every person authorized to write business in the state of Idaho by said insurance company, to immediately cease to write any further business in Idaho.

IT IS FURTHER ORDERED that WESTERN shall promptly return Certificate of Authority No. 3631 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.

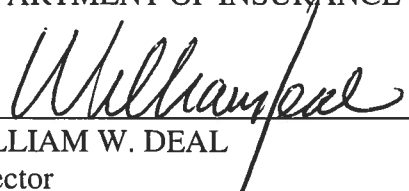
Pursuant to sections 67-5270 and 67-5272, Idaho Code, any party aggrieved by this final order or orders previously issued in this case may appeal this final order and all previously issued orders in this case to district court by filing a petition in the district court of the county in which:

- 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 of (a) this final order, (b) 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 5<sup>TH</sup> day of September, 2011.

STATE OF IDAHO  
DEPARTMENT OF INSURANCE

  
\_\_\_\_\_  
WILLIAM W. DEAL  
Director

**CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that, on this 6th day of September 2011, I have caused a true and correct copy of the foregoing order to be served upon the following by the designated means:

Western Insurance Company  
675 West Moana Lane, Suite 200  
Reno, NV 89509

- first class mail
- certified mail
- hand delivery

Utah Insurance Department  
Neal T. Gooch, Commissioner  
3110 State Office Building  
Salt Lake City, UT 84114

- first class mail
- certified mail
- hand delivery

Idaho Guaranty Association  
Attn: Dave Edwards  
Western Guaranty Fund Services  
[dedwards@wgfs.org](mailto:dedwards@wgfs.org)

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

A. René Martin  
Deputy Attorney General  
Idaho Department of Insurance  
P.O. Box 83720  
Boise, ID 83720-0043

- first class mail
- certified mail
- hand delivery



Teresa Jones  
Assistant to the Director