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MAY 08 2014
Department of Insurance
State of Idaho

Attorneys for the Department of Insurance

**BEFORE THE DIRECTOR OF THE DEPARTMENT OF INSURANCE
OF THE STATE OF IDAHO**

In the Matter of:

FREESTONE INSURANCE COMPANY

Certificate of Authority No. 2841
NAIC ID No. 32271

Docket No. 18-2936-14

**ORDER SUSPENDING CERTIFICATE
OF AUTHORITY**

FREESTONE INSURANCE COMPANY (FREESTONE), a Delaware-domiciled insurer, is licensed to transact casualty insurance, including workers' compensation, in the state of Idaho under Idaho Certificate of Authority No. 2841.

FREESTONE was placed into rehabilitation by order of the Court of Chancery of the State of Delaware, entered on April 28, 2014, in Case No. 9574-VCL, based on the petition of the Insurance Commissioner for the State of Delaware.

The Director of the Idaho Department of Insurance (Director) having reviewed the foregoing and the requirements of Idaho Code § 41-327(3), and good cause appearing therefor,

NOW, THEREFORE, IT IS HEREBY ORDERED, pursuant to Idaho Code § 41-327(3), that Certificate of Authority No. 2841 issued to FREESTONE be SUSPENDED, effective immediately, 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 corrected and FREESTONE is otherwise in compliance with title 41, Idaho Code.

IT IS FURTHER ORDERED that FREESTONE shall comply with the requirements of Idaho Code § 41-329, including § 41-329(2), which provides: "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(1), that, within four (4) days after notice of this suspension is provided, FREESTONE 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 insurance business for FREESTONE in Idaho.

IT IS FURTHER ORDERED that FREESTONE shall promptly return Certificate of Authority No. 2841 to the Idaho Department of Insurance, as required by Idaho Code § 41-323(2).

DATED this 8TH day of May, 2014.

STATE OF IDAHO
DEPARTMENT OF INSURANCE



WILLIAM W. DEAL
Director

NOTIFICATION OF RIGHTS

This is a final order of the Director. 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* Idaho Code § 67-5246(4).

Pursuant to Idaho Code §§ 67-5270 and 67-5272, 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) the service date of this final order, (b) an order denying petition for reconsideration, or (c) the failure within twenty-one (21) days to grant or deny a petition for reconsideration, whichever is later. *See* Idaho Code § 67-5273. The filing of an appeal to district court does not itself stay the effectiveness or enforcement of the order under appeal.

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that, on this 8th day of May, 2014, I caused a true and correct copy of the foregoing ORDER SUSPENDING CERTIFICATE OF AUTHORITY to be served upon the following by the designated means:

Freestone Insurance Company
5501 Lyndon B. Johnson Fwy., Suite 1200
Dallas, TX 75240-2300

- first class mail
- certified mail
- hand delivery

Delaware Department of Insurance
Karen Weldin Stewart, Commissioner
841 Silver Lake Boulevard
Dover, DE 19904

- first class mail
- certified mail
- hand delivery

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

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

Idaho Industrial Commission
Attn: Therese Ryan
therese.ryan@iic.idaho.gov

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

Idaho State Treasurer's Office
Attn: Angela Bonaminio
angela.bonaminio@sto.idaho.gov

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

Richard B. Burleigh
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