

FILED

MAY 31 2022

Department of Insurance  
State of Idaho

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

**STATE OF IDAHO**

In the Matter of:

PMI MORTGAGE INSURANCE  
COMPANY

Certificate of Authority No. 1063  
NAIC ID No. 27251

Docket No. 18-2702-22

**ORDER CONTINUING  
SUSPENSION OF CERTIFICATE OF  
AUTHORITY**

Idaho Certificate of Authority No. 1063 issued to PMI Mortgage Insurance Company ("PMI"), an Arizona-domiciled insurer licensed to transact mortgage guaranty insurance in Idaho under said certificate of authority, was suspended by the Director of the Idaho Department of Insurance ("Director") by orders issued August 30, 2011; July 9, 2012; June 5, 2013; May 5, 2014; April 9, 2015; March 2, 2016; January 30, 2017; December 20, 2017; November 7, 2018; September 17, 2019; August 5, 2020, and June 24, 2021.

Among other requirements to qualify for and maintain authority to transact insurance in Idaho, pursuant to Idaho Code § 41-313(1), an insurer must possess at least \$1,500,000 in additional surplus beyond any funds maintained as unimpaired paid-up capital stock (if a stock company) or basic surplus (if a mutual or reciprocal insurer).

As of December 31, 2021, PMI reported additional surplus of -\$945,024,713, as reflected in its last-filed statutory financial statement of that date.

On March 14, 2012, PMI was placed into receivership by order of the Superior Court of the State of Arizona, in and for the County of Maricopa, in Case No. CV2011-018944, based on the petition of the Director of the Arizona Department of Insurance, and remains in receivership.

Idaho Code § 41-326 provides at subsection (1)(b) that the Director shall refuse to continue or shall suspend or revoke a foreign insurer's Idaho certificate of authority if the insurer "no longer meets the requirements for the authority, on account of deficiency of assets or otherwise." It further provides, at subsection (2), that, in cases of insolvency or impairment of required capital or surplus, the Director may take such action without first holding a hearing.

Idaho Code § 41-327(3) states the Director may, "without advance notice or a hearing, immediately suspend the certificate of authority of any insurer as to which proceedings for receivership, conservatorship, rehabilitation, or other delinquency proceedings, have been commenced in any state by the public insurance supervisory official of such state."

The Director, having reviewed the foregoing and the requirements of Idaho Code §§ 41-313(1), 41-326(1)(b) and (2), and 41-327(3), and good cause appearing therefor,

The Director hereby finds that PMI does not meet the requirements for maintaining additional surplus set forth at Idaho Code § 41-313(1), and thus does not meet the requirements for holding a certificate of authority in Idaho under Idaho Code § 41-326(1)(b).

The Director hereby further finds that PMI is subject to delinquency proceedings within the meaning of Idaho Code § 41-327(3).

NOW, THEREFORE, IT IS ORDERED, pursuant to Idaho Code §§ 41-326(1)(b) and 41-327(3), that Certificate of Authority No. 1063 issued to PMI be CONTINUED IN SUSPENSION,

effective immediately, for one year from the date of this order. The Director may terminate the suspension sooner if the cause for said suspension is corrected and PMI otherwise complies with title 41, Idaho Code.

IT IS FURTHER ORDERED that PMI must comply with 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 that, pursuant to Idaho Code § 41-330(1), within four days after notice of this suspension is provided, PMI shall notify, by any available means, every person authorized to write business in Idaho by said insurance company, to immediately cease to write any further insurance business for PMI in Idaho, unless PMI has already taken such action per prior order of the Director.

DATED this 20<sup>th</sup> day of May, 2022.

STATE OF IDAHO  
DEPARTMENT OF INSURANCE



DEAN L. CAMERON  
Director

### **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 motion for reconsideration within twenty-one (21) days of its receipt, or the motion will be considered denied by operation of law. See Idaho Code § 67-5246(4).

Any such motion for reconsideration shall be served on the Director of the Idaho Department of Insurance, addressed as follows:

Dean L. Cameron, Director  
Idaho Department of Insurance  
700 W. State Street, 3<sup>rd</sup> Floor  
P.O. Box 83720  
Boise, ID 83720-0043

Pursuant to Idaho Code §§ 67-5270 and 67-5272, any party aggrieved by this final order or orders previously issued in this case may file a petition for judicial review 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.

A petition for judicial review must be filed within twenty-eight (28) days of: (a) the service date of this final order, (b) the service of an order denying motion for reconsideration, or (c) the failure within twenty-one (21) days to grant or deny a motion for reconsideration, whichever is later. See Idaho Code § 67-5273. The filing of a petition for judicial review does not itself stay the effectiveness or enforcement of the order under appeal. Idaho Code § 67-5274.

### CERTIFICATE OF SERVICE

I HEREBY CERTIFY that, on this 31<sup>st</sup> day of May, 2022, I caused a true and correct copy of the foregoing ORDER CONTINUING SUSPENSION OF CERTIFICATE OF AUTHORITY to be served upon the following parties by the method(s) identified below:

PMI MORTGAGE INSURANCE COMPANY 3003 Oak Road Walnut Creek, CA 94597	<input checked="" type="checkbox"/> First Class Mail <input type="checkbox"/> Certified Mail <input type="checkbox"/> Hand Delivery <input type="checkbox"/> Facsimile <input type="checkbox"/> Email:
PMI MORTGAGE INSURANCE COMPANY 3030 North Third Street, Suite 790 Phoenix, AZ 85012	<input checked="" type="checkbox"/> First Class Mail <input type="checkbox"/> Certified Mail <input type="checkbox"/> Hand Delivery <input type="checkbox"/> Facsimile <input type="checkbox"/> Email:
Evan G. Daniels, Director ARIZONA DEPARTMENT OF INSURANCE 100 North 15 <sup>th</sup> Avenue, Suite 261 Phoenix, AZ 85007-2630	<input checked="" type="checkbox"/> First Class Mail <input type="checkbox"/> Certified Mail <input type="checkbox"/> Hand Delivery <input type="checkbox"/> Facsimile <input type="checkbox"/> Email:
Chad Anderson, President IDAHO GUARANTY ASSOCIATION Western Guaranty Fund Services	<input type="checkbox"/> First Class Mail <input type="checkbox"/> Certified Mail <input type="checkbox"/> Hand Delivery <input type="checkbox"/> Facsimile <input checked="" type="checkbox"/> Email: <u>canderson@wgfs.org</u>
Karl T. Klein DEPUTY ATTORNEY GENERAL IDAHO DEPARTMENT OF INSURANCE 700 W. State Street, 3 <sup>rd</sup> Floor P.O. Box 83720 Boise, ID 83720-0043	<input type="checkbox"/> First Class Mail <input type="checkbox"/> Certified Mail <input type="checkbox"/> Hand Delivery <input type="checkbox"/> Facsimile <input checked="" type="checkbox"/> Email: <u>karl.klein@doi.idaho.gov</u>

  
Penny Wilcox