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FILED

APR 20 2015

Department of Insurance
State of Idaho

Attorneys for the Department of Insurance

BEFORE THE DIRECTOR OF THE DEPARTMENT OF INSURANCE

STATE OF IDAHO

In the Matter of:

FREESTONE INSURANCE COMPANY

Certificate of Authority No. 2841
NAIC ID No. 32271

Docket No. 18-2936-15

**ORDER REVOKING CERTIFICATE
OF AUTHORITY**

Idaho Certificate of Authority No. 2841 issued to FREESTONE INSURANCE COMPANY (FREESTONE), a Delaware-domiciled insurer authorized to transact casualty insurance, and formerly authorized to transact workers' compensation, in the state of Idaho under said certificate of authority, was suspended by the Director of the Idaho Department of Insurance (Director) by order entered May 8, 2014.

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. Thereafter, on July 22, 2014, the court entered a Liquidation and Injunction Order with Bar Date, placing FREESTONE into liquidation. Such liquidation order included findings by the court that "FREESTONE is insolvent

[and] that further efforts to rehabilitate FREESTONE would be useless.”

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, the Director may take such action without first holding a hearing.

The Director, having reviewed the foregoing and the requirements of Idaho Code § 41-326, and finding that FREESTONE is insolvent, and good cause appearing therefor,


NOW, THEREFORE, IT IS HEREBY ORDERED, pursuant to Idaho Code § 41-326(1)(b), that Certificate of Authority No. 2841 issued to FREESTONE is REVOKED effective immediately.

IT IS FURTHER ORDERED, pursuant to Idaho Code § 41-330(1), that, within four (4) days after notice of this revocation 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 20th day of April, 2015.

STATE OF IDAHO
DEPARTMENT OF INSURANCE



THOMAS A. DONOVAN
Acting 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 _____ day of April, 2015, I caused a true and correct copy of the foregoing ORDER REVOKING CERTIFICATE OF AUTHORITY to be served upon the following by the designated means:

Freestone Insurance Co. in Rehabilitation
704 N. King Street, Suite. 602
Wilmington, DE 19801-3535

- 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

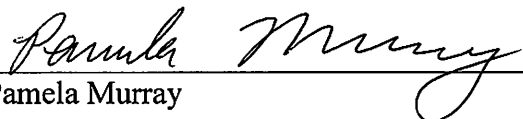
- first class mail
- certified mail
- hand delivery
- email

National Council on Compensation Insurance
Attn: Michelle Smith
Michelle_Smith@NCCI.com

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

Richard B. Burleigh
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- first class mail
- certified mail
- hand delivery


Pamela Murray