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FILED
SEP 07 2017 #7
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:

ZALE LIFE INSURANCE COMPANY
Idaho Certificate of Authority No. 3680
NAIC ID No. 71323

and

ZALE INDEMNITY COMPANY
Idaho Certificate of Authority No. 3675
NAIC ID No. 30325

Docket No. 18-3358-17

**ORDER AUTHORIZING BLOCK
CANCELLATION**

On or about July 19, 2017, the Idaho Department of Insurance (“Department”) was provided a notification by ZALE LIFE INSURANCE COMPANY and ZALE INDEMNITY COMPANY (collectively “ZALE”) of ZALE’s intent to discontinue offering and to implement a block cancellation of their credit insurance policies delivered or issued for delivery in Idaho. ZALE provided the Department a revised notification on or about August 24, 2017. In such revised notification, ZALE represented that the proposed block cancellation will affect the

following credit policy types and numbers of certificates delivered or issued for delivery in Idaho: three hundred seventy (370) credit life certificates; one hundred sixty-six (166) credit disability certificates; one hundred forty-seven (147) credit property certificates; one hundred sixty-eight (168) involuntary unemployment certificates; and one hundred sixty-eight (168) leave of absence certificates. ZALE further represented that coverage under the affected policy certificates will terminate on November 16, 2017, and that ZALE will provide advance notice to affected certificate holders as required by Idaho law and in accordance with applicable notice provisions in the impacted policies. ZALE provided to the Department for its review and approval a proposed notice to certificate holders of termination of coverage.

The Director, having reviewed the foregoing and the requirements of Idaho Code § 41-1841(1), and acting pursuant to the authority set forth in Idaho Code § 41-210(2),

THE DIRECTOR HEREBY FINDS that the proposed effective date of the contemplated block cancellation complies with the one hundred twenty (120) day advance notice requirement to the Director, as set forth in Idaho Code § 41-1841(1).

THE DIRECTOR FURTHER FINDS that the effective date of termination of coverage reflected in ZALE's proposed notice to certificate holders also complies with the one hundred twenty (120) day advance notice requirement to the Director, as set forth in Idaho Code § 41-1841(1).

NOW THEREFORE, IT IS HEREBY ORDERED that ZALE is authorized, pursuant to Idaho Code § 41-1841, to effectuate a block cancellation of their credit insurance policies delivered or issued for delivery in Idaho, effective November 16, 2017, which, based on ZALE's representation, will affect the types and numbers of policy certificates described above.

IT IS FURTHER ORDERED that ZALE shall provide advance notice to certificate holders affected by the cancellation authorized by this order in accordance with Idaho law and with the notice provisions included in ZALE's applicable insurance policies. Such notice shall be in substantially the same format as the proposed notice provided by ZALE to the Department.

THIS ORDER is a final order of the Director and is EFFECTIVE IMMEDIATELY.

DATED this 7 day of September, 2017.

STATE OF IDAHO
DEPARTMENT OF INSURANCE



DEAN L. CAMERON
Director

NOTIFICATION OF RIGHTS

This Order constitutes 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 Director 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 may appeal it by filing a petition for judicial review in the district court of the county in which: (1) the hearing was held; or (2) the final agency action was taken; or (3) the aggrieved party resides or operates its principal place of business in Idaho; or (4) the real property or personal property that was the subject of the agency decision is located. An appeal must be filed within twenty-eight (28) days of: (a) the service date of this final order; or (b) an order denying a 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 a petition for judicial review does not itself stay the effectiveness or enforcement of the order under appeal.

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on this 7th day of September, 2017, I caused a true and correct copy of the foregoing ORDER AUTHORIZING BLOCK CANCELLATION to be served upon the following by the designated means:

Zale Life Insurance Company
901 W. Walnut Hill Lane, M.S. 5A-9
Irving, TX 75038-1003

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

Zale Indemnity Company
901 W. Walnut Hill Lane, M.S. 5A-9
Irving, TX 75038-1003

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

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- certified mail
- hand delivery
- via facsimile
- via email

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- certified mail
- hand delivery
- via facsimile
- via email



Pamela Murray