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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:

FINANCIAL AMERICAN LIFE  
INSURANCE COMPANY,

Certificate of Authority No. 3567  
NAIC No. 71455

Docket No. 18-3364-18

**ORDER CONTINUING SUSPENSION  
OF CERTIFICATE OF AUTHORITY**

Idaho Certificate of Authority No. 3567 issued to FINANCIAL AMERICAN LIFE INSURANCE COMPANY (“FINANCIAL AMERICAN”), a Kansas-domiciled insurer licensed to transact life and disability insurance excluding managed care 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 October 23, 2017.

Among other requirements to qualify for and maintain authority to transact insurance in Idaho, pursuant to Idaho Code § 41-313(1), FINANCIAL AMERICAN is required to possess at least One Million Dollars (\$1,000,000) in surplus.

As of June 30, 2018, FINANCIAL AMERICAN reported surplus of Nine Hundred Thirty-two Thousand Four Hundred Ninety-one Dollars (\$932,491), as reflected in its last-filed statutory

financial statement of that date.

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.

The Director, having reviewed the foregoing and the requirements of Idaho Code §§ 41-313(1) and 41-326(1)(b), and good cause appearing therefor, the Director hereby finds that FINANCIAL AMERICAN does not meet the requirements for maintaining surplus set forth at Idaho Code § 41-313(1), and thus does not meet the requirements for holding a certificate of authority in the state of Idaho.

NOW, THEREFORE, IT IS HEREBY ORDERED, pursuant to Idaho Code § 41-326, that Certificate of Authority No. 3567 issued to FINANCIAL AMERICAN is CONTINUED IN SUSPENSION, 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 FINANCIAL AMERICAN is otherwise in compliance with title 41, Idaho Code.

IT IS FURTHER ORDERED that FINANCIAL AMERICAN shall comply with 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(1), that, within four (4) days after notice of this suspension is provided, FINANCIAL AMERICAN 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 FINANCIAL AMERICAN in Idaho, unless FINANCIAL AMERICAN has already taken such action pursuant to prior order of the Director.

IT IS FURTHER ORDERED that, within sixty (60) days of the date of this order, FINANCIAL AMERICAN file with the Director a complete listing of its policies owned by or issued to residents of the state of Idaho. Such list shall include the name and address of each policyholder and insured, policy type, face amount, and cash surrender value of the policy, as applicable.

DATED this 17 day of September, 2018.

STATE OF IDAHO  
DEPARTMENT OF INSURANCE



DEAN L. CAMERON  
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 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 18<sup>th</sup> day of September, 2018, 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:

Financial American Life Insurance Company  
10151 Deerwood Park Blvd.  
Bldg 100, Suite 330  
Jacksonville, FL 32256

- first class mail
- certified mail
- hand delivery

Kansas Insurance Department  
Ken Selzer, Commissioner  
420 SW 9<sup>th</sup> Street  
Topeka, KS 66612-1678

- first class mail
- certified mail
- hand delivery

Idaho Life and Health Guaranty Association  
Attn: Candie Kinch  
6700 N. Linder Road, Suite 156, Box 144  
Meridian, ID 83646  
[ckinch@idlifega.org](mailto:ckinch@idlifega.org)

- first class mail
- certified mail
- via email

Judy L. Geier  
Deputy Attorney General  
Idaho Department of Insurance  
P.O. Box 83720  
Boise, ID 83720-0043

- first class mail
- certified mail
- hand delivery

  
Pamela Murray